

A DEEP DIVE INTO THE PROGRAMME OF THE NEW PRESIDENT OF THE EUROPEAN COMMISSION FOR 2024-2029

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ABOUT:

Ursula von der Leyen was re-elected as president of the European Commission for 2024-2029 by the European Parliament on 18 July. Antoine Oger, IEEP's Research Director, looks in detail at the [political guidelines for the next European Commission 2024-2029](#) that were published at this occasion.

First, we want to congratulate Ms. Von der Leyen as she is not only the first woman to hold this position but now only the third President of the European Commission to be re-elected for a second mandate in its modern form (after J. Delors 1985-1995 and J.M. Barroso 2004-2014).

Her first mandate was rocked with challenges as intense as you could ever imagine, with a global pandemic, the return of war on the European continent, a cost-of-living crisis, the first-ever loss of a Member State with Brexit and the triple planetary crisis that is unfolding. In light of these challenges, the fact that her grand political project, the European Green Deal (EGD), remained the bedrock of the EU institutions throughout her mandate is an incredible achievement. The Green Deal, which was initially launched as a mere ad hoc response to the green wave of voters just 5 years ago, proved much more resilient than its opponents thought (or wished) it could be. Eventually, the EGD put the European Union on the path to becoming the first-ever Net Zero economy by mid-century.

Yet it appears that these challenges and the anger and frustration associated with them, which culminated with the farmers' protest early this year, are now impacting the climate and environmental ambition of the EGD. This was demonstrated through the [results of last month's European Elections](#) with significant progress of far-right, anti-European, and largely climate-sceptic forces at the European Parliament. This new reality now made its way into the Political Guidelines for the next European Commission, yet it is also clear that the ambition to pursue many of the EGD objectives is still present albeit in a different form.

THE EGD IS DEAD, LONG LIVE THE CID!

Most significantly, the European Green Deal will be replaced by a **Clean Industrial Deal (CID)** to be introduced in the first 100 days of the mandate with the clear aim to establish the competitiveness of the EU economy as the main priority of the new European Commission. The CID will include a proposal for an Industrial Decarbonisation Accelerator Act, which will seek to facilitate (i.e. deregulate) industrial planning, tendering, and permitting processes and thus cut down red tapes and bureaucratic barriers in key sectors such as clean energy, clean tech, and infrastructures. Such is the political priority given to this objective that an EC Vice-President for Implementation, Simplification, and Interinstitutional Relations is expected to be nominated. We understand the necessity to rapidly upscale the capacities of EU actors, public and private, to engage in the

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transition to net zero, however the trade-offs between climate and other environmental impacts potentially implied by such deregulation should be carefully considered.

The CID will also seek to channel investments, public and private, to further support competitiveness in this sector and finance their transition. That is no small task as the global capital flow required to achieve net zero and adapt to the effects of climate change is estimated at [6.5 trillion euros annually between now and 2050](#), while it stands just below 1 trillion today. The Commission is therefore expected to leverage several instruments:

- A new, **simplified, “policy-based”, Multiannual Financial Framework** for 2028-2034 specifically designed to address this financing gap.
- A **revision of the Public Procurement Directive** to introduce “buy European” preferences.
- A proposal for a **European Savings and Investments Union** to complete the Capital Markets Union as advocated in [the Letta report](#).
- Roll-out and mobilisation of existing funds such as the **Social Climate Fund** related to ETS II and designed to support renovations for energy-efficient housing.
- A new **European Competitiveness Fund** to support strategic project as per the [IPCEIs nomenclature](#), though the financial sources for this new fund, and thereby its ambitions, are not clear at this stage.

As the debate for competitiveness influences different stages of EU production and consumption processes, the Commission also aims to present a **New Circular Economy Act** to upscale market opportunities for secondary materials and eventually build a single market for waste, notably in relation to critical raw materials. IEEP is a strong advocate for adequate [circularity strategies and sustainable resource management](#) at EU level, and therefore we wholeheartedly welcome this initiative. Yet, the guidelines so far fall short of any mention of consumption or demand-related measures, despite their key role in addressing the triple planetary crisis as recently recalled in the [Global Resources Outlook report 2024](#) of the International Resource Panel. We therefore call for a full [EU resource law](#) that includes targets for material and consumption footprint reduction in line with the commitment of the 8th EAP to “*significantly decrease the EU’s footprint to bring them into planetary boundaries as soon as possible*” as recalled by the [Environment Council of June 2024](#).

IT’S THE DEFENCE AND SECURITY STUPID

Faced with the return of war on the European Continent after Russia’s invasion of Ukraine and the thorny issue of migration for many EU Countries, the European Commission is expected to echo the many calls for additional resources to be allocated to defence and security during the new mandate. A White Paper on the Future of European Defence should be published in the first 100 days of the mandate, while a Commissioner for Defence is expected to be nominated. Yet, this may not help with the “Kissinger syndrome” (i.e. who should our partners call to talk to Europe). Defence will fundamentally remain a prerogative of the Member States, and considering their diverging views on geopolitical matters, one can only wonder whether these new EU initiatives will indeed be transformative beyond a potential increased effort toward joint production capacities and procurements.

Interestingly, the guidelines clearly emphasise the need to secure the EU neighbourhood with the ambition to proceed with enlargement through the adhesion of the Western Balkans, Ukraine, Georgia and Moldova. Yet, it remains highly hypothetical that any of these accessions would occur during this new mandate. The southern border is not forgotten with the expected appointment of a Commissioner for the Mediterranean alongside

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increased capacities for Frontex. These measures reflect the latest dynamics of the European Parliament and progresses of far-right forces, yet without spending much political (nor financial) capital.

Overall, while the call for increased EU capacities on defence and security is reflected in the rhetoric of the guidelines, concrete measures on these themes appear quite scarce as they remain largely under national competences.

SIGNIFICANT FUNDS FOR THE JUST TRANSITION

Perhaps the most important sentence that made its way into the Political Guidelines for the next European Commission, it is announced that the EC will “**significantly increase its funding for a just transition across the next long-term budget**”. This is expected to be actioned through a flurry of different EU plans and strategies (Pact for European Social Dialogue announced for early 2025, EU Anti-Poverty Strategy, European Affordable Housing Plan, Action Plan on the Implementation of the European Pillar of Social Rights, including a proposal to introduce a right to disconnect). However, no announcement was made on dedicated funding for these initiatives beside the confirmation of the Social Climate Fund that relates to affordable housing. There is therefore a strong question mark as to how the Commission will fulfil its commitment and engage a just transition that can meaningfully take on social inequalities. IEEP recalls that there are many lessons to be learned from the past years, notably on [who took the burden of the energy crisis](#), and calls for the EU to prioritise measures that maximise a progressive distributional impact such as the control of rises in electricity prices and direct transfers to the most vulnerable groups.

Among other novelties of the guidelines for the next EC is the announcement of a Commissioner whose responsibilities will include intergenerational fairness. This is another long-standing [recommendation from IEEP](#) to address major inequalities and adequately consider generational justice issues, however there is so far no details as to what this duty will entail and how it will be operationalised. The guidelines also announce the creation of a “President’s Youth Advisory Board” gathering young people from all Member States to advise the EC President on issues that matter to their peers in their community and to act as sounding board for ideas developed by the Commission. This is another occasion to expressively consider the situation of future generations who will be most impacted by climate change and other human-induced sustainability crisis.

These various announcements pertaining to the allocation of concrete capacities to enshrine the EU action in the long-term bear significant transformational potential, yet it is highly concerning that these announcements are also the least detailed in terms of their implementation and funding. All interested stakeholders should therefore closely monitor the actions of the Commission on the matter and keep the President to her words.

SUSTAINABILITY: A CLIMATE TARGET, BUT THAT’S IT.

The EC President confirmed that the Commission aims to introduce a proposal for the 90% emission-reduction target for 2040 to be enshrined in the European Climate Law in line with its own [communication](#) from February 2024. The proposal is expected to be published in the first quarter of 2025 and will be the “baptême du feu” for this new Commission. Its capacity to process this objective through the likely many hurdles and request for loopholes that will be thrown its way during the legislative process will be a testimony of the resilience and legacy of the European Green Deal to eventually pave the way for the EU to become climate neutral by 2050. It will also largely determine the capacity of the EU to maintain leadership in international climate negotiations.

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Yet, beyond this overall target, the main debate will be on how to achieve a 90% reduction. The role of the agricultural and food sector in particular will be scrutinised as it remains among the highest sources of GHG emissions. The IEEP promoted numerous ways to [foster sustainable food systems](#) through both existing EU instruments and a new [vision for the Common Agricultural Policy \(CAP\)](#). The elephant in the room is also on whether the EC will eventually propose to apply the polluter pays principle to agricultural emissions and pave the way for the introduction of an Emission Trading System for the sector. This proposal carries its weight of arguments which is why we need to have an adult debate on the best way to introduce such a system to adequately support farmers in their transition and address key issues such as decent incomes and capacity imbalances in the food supply chains. IEEP has already made significant, [concrete contributions to the debate](#), and it is only getting started. Yet, the guidelines remain largely silent on these fundamental (but indeed controversial) topics, as a Vision for Agriculture and Food is to be announced in the first 100 days based on the recent strategic Dialogue on Agriculture, but no formal announcement of potential legislative development was made.

Most worryingly, beyond climate and agriculture matters, nature is absent in the guidelines. Beside a potential hint toward the EUDR extension stating that “our forests and woodlands, our wetlands and our grasslands are also essential to regulating our climate and ensuring food and water security”, biodiversity is only mentioned through incentives for farmers implementing nature-based solutions and on equitable and efficient implementation (arguably of the Nature Restoration Law). While we support this objective to incentivise [good practices in agricultural landscapes](#), this remain a missed opportunity as vibrant ecosystems and biodiversity are fundamental drivers of a healthy environment and thereby of society. IEEP has produced for years [proofs](#) after [proofs](#) of the benefits for society of strong biodiversity policies at EU level (including [financially](#) for farmers). As we are living through an unprecedented decline of terrestrial and maritime ecosystems, it is disheartening to watch the absence of consideration for nature in the Political Guidelines for the next European Commission 2024-2029.

CRMS-WITH-BENEFITS ONLY ON THE GLOBAL STAGE

Reflecting on the current fraught geopolitical context, the guidelines from the EC President look largely inward and heavily lingers on EU economic security considerations. Protection from key technology leakages, screening of foreign direct and outbound investments, and coordinated approaches to export controls are all measures that will likely feature prominently in the EC work programme. In parallel, the EC President advocates for investment in developing countries through bringing global gateway “to the next level,” yet at the same time calls for a “full revamp” of external action financing. Details are lacking, but it is concerning to think that the negotiations for the next MFF could be used to decrease the funds allocated to the EU external cooperation to make room for domestic priorities. We argue that such a development in a context already fraught with major frustrations expressed by developing economies on the EU trade-related autonomous – unilateral – measures such as the CBAM, EUDR, CSDDD, etc. could further isolate the EU at a time where trusted geopolitical partners may be scarce. It could also jeopardise another one of the most important priorities for the EU to deploy its competitiveness and security program, trade in Critical Raw Materials (CRMs).

The role of trade is largely absent from the Political Guidelines for the next European Commission, reflecting the current inner tensions within most EU political forces on whether openness or protectionism should be favoured to support the EU competitiveness and security agenda. MERCOSUR is not mentioned, while the [Free Trade Agreements currently under negotiations](#) either become a New Strategic Agenda (India) or are taken at the regional level where negotiations could prove less contentious (Indonesia and ASEAN).

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Trade is largely addressed in the context of the strategic priority for the EU to secure an adequate supply of CRMs, which are necessary to fuel the EU energy transition. This movement was initiated during the previous mandate with the adoption of the European Critical Raw Material Act (ECRMA) and is now at the heart of many new initiatives. The guidelines first propose to extend the [aggregate demand mechanism](#) from gas to include hydrogen and critical raw materials, but then proposes to deploy **Clean Trade and Investment Partnerships (CTIPs)**. Little to no details are available, but it seems clear that the EU aims to prioritise the negotiations of targeted agreements to secure a diversified supply of CRMs at the expense of larger, more cumbersome agreements. IEEP has also [promoted such a solution](#) insofar as it gives adequate attention to the sustainable development priorities of the partner country. We argue notably that such CTIPs much prioritise (1) binding commitments to tackle ESG concerns linked with the mining of CRMs, (2) uptake of financing opportunities to promote circular business practices along the CRM value chain, (3) value addition in third countries, (4) WTO compatibility, and (5) facilitating the trade and use of secondary raw materials.

Maintaining high external cooperation funding while agreeing on win-win trade agreements could finally help the EU reconcile its interests and values on its relations with its partners. This would in turn pave the way for further ambitious and coherent global collaborations efforts in time for this new European Commission to achieve many of its international and domestic commitments such as the climate law, the Sustainable Development Goals or the Global Biodiversity Framework.



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