

WEEKLY ROUND-UP

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Schulz elected to head Socialists for top jobs talks: The Socialists and Democrats in the European Parliament have elected Martin Schulz as their new President. Schulz will lead the group in talks over the election of a new Commission President and stated that he foresees a "tandem" with the frontrunner from the European People's Party, Jean-Claude Juncker. However, sources in Berlin told *Der Spiegel* that Schulz's Social Democrats would not claim the Commission job in the face of opposition from Chancellor Angela Merkel and her Christian Democrats party, but would look to secure the presidency of the Parliament for Schulz with centre-right backing as part of an overall package. Schulz stepped down as Parliament President before the vote in the S&D Group, with Gianni Pittella taking over as acting President until the Parliament reconvenes on 1 July. Links: Europolitics; Deutsche Welle; EUObserver; S&D news; PES news; EUObserver; The Parliament; EurActiv; Der Spiegel

Stubb to toe economic line as Katainen heads to Brussels: Alexander Stubb has been elected as the leader of Finland's centre-right National Coalition Party and will become Finland's prime minister, replacing Jyrki Katainen. Stubb will lead a coalition government that includes the Social Democrats but has pledged to maintain the core elements of the austerity programme of his predecessor. Meanwhile Katainen has been nominated to replace Olli Rehn in the European Commission. Rehn will become an MEP. A hearing for Katainen is set to be held before the summer recess. Links: Bloomberg; Economic Times; EurActiv; EUObserver; European Voice; Europolitics

Flemish separatists snub ALDE as ECR becomes third-largest group: The New Flemish Alliance (N-VA) has chosen to join the European Conservatives and Reformists (ECR) Group in the European Parliament, rejecting an invitation from the Alliance of Liberals and Democrats for Europe (ALDE) group, led by Guy Verhofstadt, who was re-elected to his post this week. The N-VA's decisionmakes the ECR the third-largest party in the European Parliament. It has 68 seats to ALDE's 67. Both groups added further members this week as the formation of political factions continues. Links: EUObserver; European Voice; European Voice; EUObserver; De Standaard; EurActiv; New Europe; Europolitics; EUObserver

Loosen EU budget rules in return for support, German Minister and Socialists tell Juncker: European socialist leaders have said that policy concessions, including a loosening of budget deficit rules, are needed for them to back Jean-Claude Juncker's candidacy for the presidency of the European Commission. Italian Prime Minister Matteo Renzi and German economy minister Sigmar Gabriel are among those calling for a change of tack. Gabriel supports the possibility for states to be given more time to cut deficits if they introduce reforms in return. He argues that right-wing successes throughout Europe in the recent elections demonstrate the failure of pure austerity measures. Links: <u>EUObserver</u>; <u>EUObserver</u>;

Farage secures EFD future: British Eurosceptic leader Nigel Farage announced on Wednesday that his Europe of Freedom and Democracy (EFD) Group will re-form in the next parliament. The UK Independence Party's 24 MEPs will sit with 17 Italian MEPs from the Five Star Movement (M5S), two Lithuanians, one Czech, one Latvian, two Sweden Democrats and Joëlle Bergeron, an independent French member who was elected on a National Front ticket. The group will hold its first official meeting on 24 June in Brussels. M5S group leader, Ignazio Corrao, said that M5S MEPs will maintain a free stance within the group, and could often vote with the Greens. Earlier in the week Dutch MEP Bas Belder quit the EFD for the ECR Group. Links: EUObserver; Europolitics; EurActiv; Chicago Tribune; EurActiv; New Europe



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ALSO IN THE NEWS

Greens and EFA reconfirm alliance: The European Greens and the European Free Alliance (EFA) have officially reconfirmed their parliamentary alliance for 2014-2019. The EFA links progressive nationalist, regionalist and autonomist parties in Europe, along with a number of independent MEPs. *Links:* <u>Greens-EFA news;</u> <u>EUObserver</u>

GUE/NGL re-elects Gabi Zimmer: The European United Left / Nordic Green Left (GUE/NGL) group has re-elected German Gabi Zimmer as its president. The Group's size has increased by nearly 50%, from 35 to 52 MEPs. The group also elected its vice-presidents - Neoclis Sylikiotis (Cyprus), Malin Björk (Sweden), and Patrick Le Hyaric (France). *Link*: <u>GUE/NGL</u>

Election of Five Star MEP overturned by voting recount: A recount of preference votes in Italy triggered a change among the elected MEPs of the Italian Five Star Movement (M5S): Giulia Gibertoni had originally been allocated a seat on the basis of her 16,193 preference votes but a recount ordered by the Court of Appeal of Venice shows that Marco Zullo won two preferences more than Gibertoni. Gibertoni could appeal against the decision, but the M5S is likely to find another position for her as a compromise. *Link:* <u>European Voice</u>

Confidential document: "There is no alternative to Juncker": According to the Dutch Newspaper Volkskrant, a confidential document on the current consultations of Herman Van Rompuy with the European Parliament said "there is no alternative to [Jean-Claude] Juncker" as President of the European Commission. Meanwhile national leaders are still divided on the issue. According to the document, however, they would just consider it "collateral damage" should the nomination speed up the exit of Britain from the EU. London is known to be the most outspoken opponent of Juncker's candidacy. Link: <u>Europolitics</u>

EU top job speculation "disturbs my work": Danish Prime Minister Helle Thorning-Schmidt told tabloid journalists this week that she was tired of the rumours that she could be the next President of the European Council. She said they were "inconvenient" and disturbing her work in Denmark. Thorning-Schmidt is nonetheless considered to be a potentially unifying figure in European politics despite her refusal to comment directly on the speculation. Link: EurActiv

French MEP-elect questioned by police: Following the public confessions made by Jerôme Lavrilleux on the funding of Nicolas Sarkozy's 2012 presidential campaign, the police questioned the newly-elected French MEP. Lavrilleux pledged not to use his parliamentary immunity, which takes effect at the beginning of July, and said he is prepared to answer any questions. *Link*: <u>European Voice</u>

French PM warns disgruntled Socialists they could "disappear": Following the success of the National Front in the European election, Prime Minister Manual Valls warned that the Socialists could disappear as a political force and called on his party to back his government's business-friendly reform plans. Valls said that the French Socialist Party has never been so weak since the creation of the Fifth Republic in 1958, and if nothing changes, the National Front could make the run-off in the next presidential vote. Link: Reuters

Bulgaria to hold early elections: Early elections are set to take place in Bulgaria, with a poll likely between 28 September and 12 October. *Links*: New Europe; Europolitics; EUObserver; Fox news

Formation of Belgian government unlikely before EU summit: Bart De Wever, who is in charge of forming a coalition federal government in Belgium following May's elections, looks unlikely to complete the task before the next European Council. *Link:* <u>European Voice</u>

Majority of Brits want to stay in the EU: Despite the success of Ukip in the European election, YouGov's latest poll for *The Sun* finds that Brits want to remain in the European Union. 44% would now vote to stay in the EU, while 36% would vote in favour of UK's exit. The eight-point lead is the largest recorded since September 2010. An in/out EU membership referendum could be held in 2017. *Links:* <u>EUObserver</u>; <u>Reuters</u>

Polish PM says early election an option in leaked tapes row: Poland found itself in a political turmoil after a magazine published secret recordings of the central bank governor and interior minister conspiring against another minister. On Thursday, following criticism of a raid on the magazine's offices, Prime Minister Tusk and President Komorowski said an early election was a possibility. *Links:* Reuters; New Europe; Bloomberg

