



# European Elections

Preliminary Assessment

27 May 2019

**KREAB**

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# Executive Summary

## KEY INSIGHTS

















- **Winners:** Liberals (ALDE+Macron) have secured 107 seats; the Greens and the Eurosceptics (Salvini's alliance, M5S in Italy, Brexit Party in the UK) have made major gains.

- **Big discrepancies across Member States:** Big populist support in France and Italy. Unexpected result of S&D in the Netherlands and the Greens in Germany. Positive pro-European results in Poland.

- **What does this mean for building an EP majority?** End of the grand coalition of EPP-S&D. ALDE and Greens become new likely partners for a pro-European new majority.

- **What does this mean for EU top jobs?** End of the EPP-S&D split of roles, No strong mandate supporting the Spitzenkandidaten process. Compromises among political groups will be needed concerning all top jobs.

## RESULT ANALYSIS

	179		-38
	150		-39
	107		+39
	70		+18
	67		+30
	58		-16
	45		0
	38		-14

## POSSIBLE SCENARIOS

1. **CENTRIST, PRO-EU: LIKELY**  
EPP + S&D + ALDE (+Greens)  
COALITION = 436 (506)



2. **LEFT-WING: LESS LIKELY**  
S&D + ALDE + Greens + GUE  
COALITION = 365



3. **RIGHT-WING: UNLIKELY**  
EPP + ALDE + ECR + ENF  
COALITION = 413



## NEXT STEPS



28 May

EU Summit to analyse the electoral results



20-21 June

EU Summit to nominate the Commission President (top jobs package agreement)



2-4 July

Constitutive Plenary session (European Parliament President, Vice-Presidents and quaestors election & appointment to Committees)



15-18 July

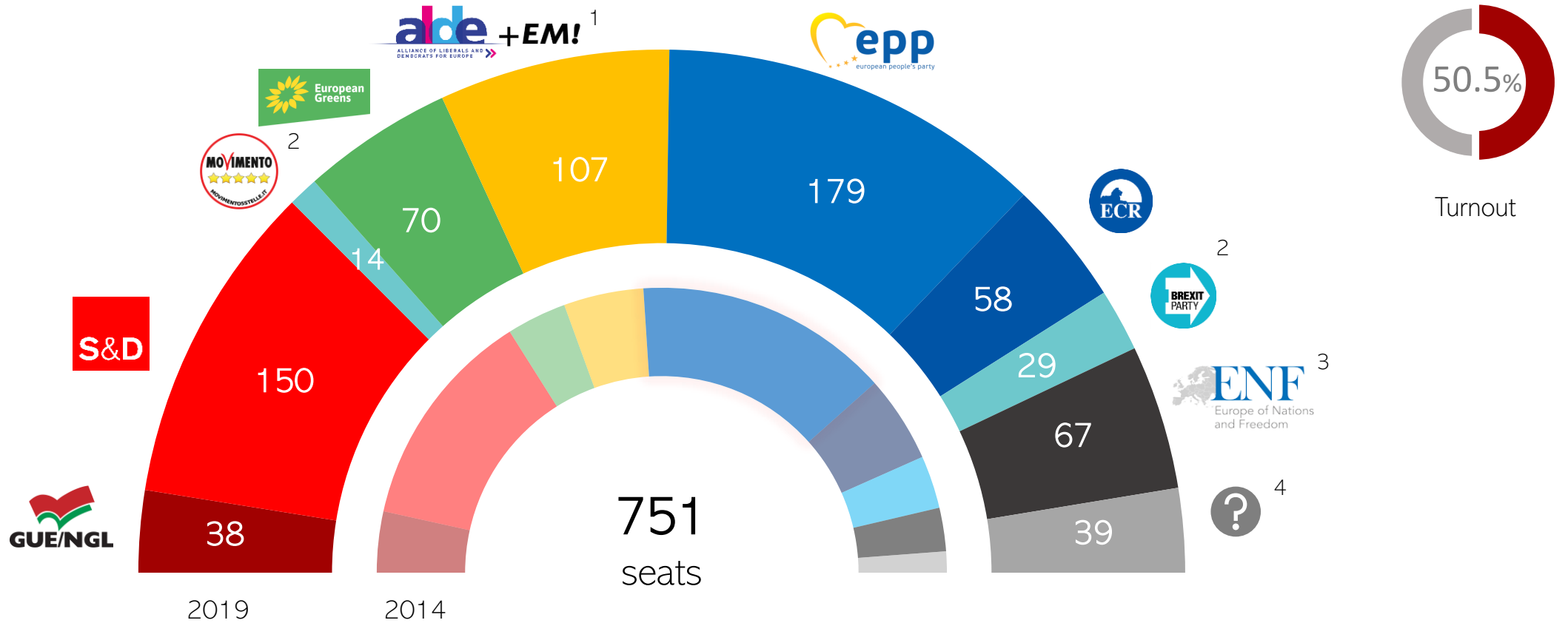
Second EP Plenary Session – European Parliament to elect Commission President

# 01 || RESULTS ANALYSIS



# The New European Parliament

Partial provisional results, as of 05.30 CET on 27 May



- 1: Considers the new group that will emerge post-elections from the ALDE + Macron alliance
- 2: Assumes the EFDD group will collapse. Presents its two founding parties separately (5SM and Brexit Party)
- 3: Contemplates the ENF group in its likely new formation with the new Salvini led group
- 4: Others include non-attached and new MEPs



# Results by Groups (1/2)



## EPP retains the lead with 180 seats

- EPP remains the biggest political group, despite a loss of 37 seats.
- **Germany remains the biggest delegation** with 29 seats, followed by Poland with 18 and Spain with 12. These delegations are expected to have a strong influence in the group.
- It remains to be seen what will happen to Viktor Orban's Fidesz party (13 seats) and if it will defect for Salvini's new Eurosceptic alliance.
- The biggest surprise of the night, however, came from the other political leaders, claiming that they do not need the EPP to move forward.



## New centrist alliance emerges as third biggest group

- ALDE and Macron's party emerge as one of the biggest winners of the night taking over 100 seats.
- **France, UK, Romania, Spain and Germany get the most seats within the group** with 21, 15, 11, 8 and 7 respectively. The group also does well in The Netherlands 7 and Czech Republic with 6 seats.
- Remains to be seen whether the new group will have a more united ideological basis or remain as divided as ALDE in its current formation.
- During the night, Vestager stressed that a coalition without the EPP group was possible.



## S&D keeps second position albeit big losses

- S&D secures second place with 152 seats, event though sustaining a loss of 34 seats.
- The group gets good results, especially in **Spain where it gains 20 MEPs and biggest delegation**, followed by Italy with 19, Germany 17 and Romania 10.
- However, some of its biggest delegations suffer heavy losses as in the case of Germany where the SPD loses 11 seats, in France 8 and in the UK 10.
- During the night, Timmermans reiterates his 'claim' to the Commission Presidency and shows willingness to unite with progressive parties, excluding the EPP group.



## Greens gain momentum across the EU

- The Greens win 70 seats, becoming the fourth biggest group.
- **In Germany, they win 21 seats** coming second after CDU/CSU, in France they elect 12 MEPs, a surprising 3 in Ireland, 3 in The Netherlands, 3 in Belgium, 2 in Denmark, Sweden and Finland.
- The Greens being one of the biggest winners of the night led to all party leaders committing publicly to defend their common priorities for a new Commission mandate in the hopes to get their support for a new coalition.





# Results by Groups (2/2)



## Salvini's Eurosceptic alliance gets strong boost

- Significant populist surge across the EU with ex-ENF members gaining 29 extra seats.
- **Marine Le Pen's Rassemblement National wins 22 seats**, defeating Macron by a small margin, but losing 2 seats from the last term.
- In **Italy, Salvini wins 28 MEPs**, becoming de facto the biggest delegation in the new alliance.
- German AfD also expected to join the alliance, taking up 11 seats, and Austria and Belgium are set to take up 3 seats each.
- Once projected to be the third biggest group in the Parliament and possibly a massive disruptive force, the reality places the group in fifth place in the overall ranking.



## GUE fails to secure its position on the left

- Biggest surprise of the night was the impact the European elections have in Greece, with the Government Party admitting defeat and calling for general elections. **SYRIZA comes second to the EPP's Nea Dimokratia with a 9.4% difference.**
- Other key delegations include 5 seats in Spain, 6 in Greece, 5 in Germany, 3 in Portugal and 4 in Ireland.
- GUE might still have an important role to play if political leaders from the S&D, ALDE+EN and GREENS decide to opt for a progressive alliance without the EPP. Such move would bring GUE closer to the mainstream/centrist groups both by appointing EU top jobs and in overall decision-making.



## ECR to struggle for survival?

- With a drop of 18 seats overall, the biggest defeat comes from the UK with the conservative party suffering a loss of 15 seats, and getting a total of only 4 MEPS.
- Unexpectedly, the **Polish PiS party is the main delegation with 22 seats**. Belgium elects 3 MEPs, The Netherlands 5, Czech Republic 4, Bulgaria 2 and Croatia 1.
- It is still unclear what will happen with the ECR, especially taking into account the new Salvini Alliance.



## From the Brexit Party to the 5 Star Movement

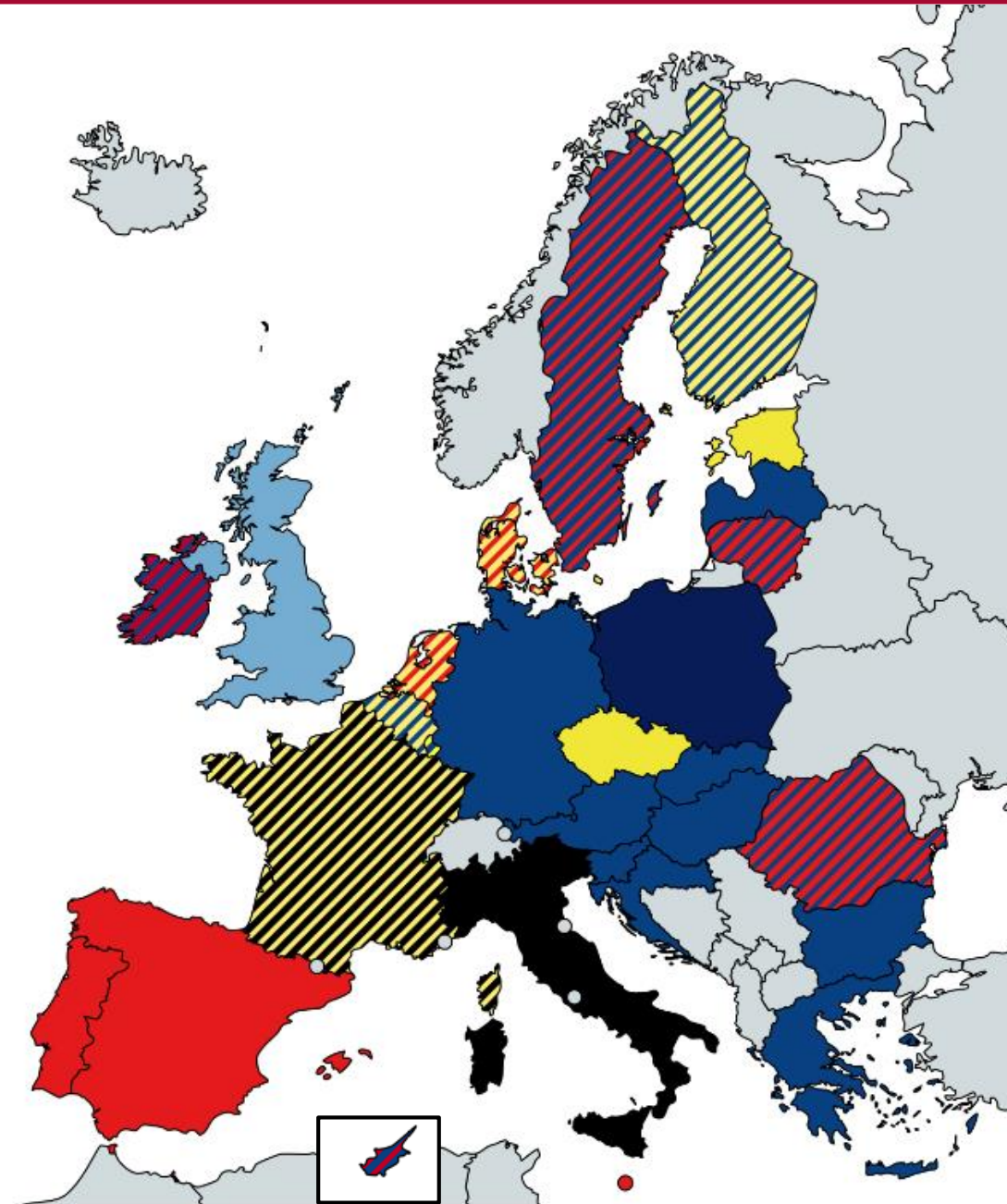
- Unsurprisingly, given the lack of alternative, the **Brexit Party gets 29 seats**. Biggest question is what 5SM, with 14 seats, will do: join existing left-wing group or try to create a new one?
- Also Brexit Party in the UK – biggest delegation in the entire EP! What future for the group?
- Besides, over **40 unattached MEPs** will be joining the European Parliament, either joining an existing group or creating a new one.





# Europe in a Nutshell

- The **50.5% voting turnout** is the highest since the first elections in 1979, spanning the lowest rate of 22.74% in Slovenia and the highest of 89% in Belgium (compulsory voting).
- Both EPP and S&D suffer a loss of almost 40 seats, thereby losing their historic dominance across the EU, whilst the Liberals, the Greens, and ENF win seats.
- In many Member States, the **results are rather divided**, with many close calls in countries such as Ireland, Latvia, Estonia, Lithuania, Cyprus and Denmark.
- **Winning 40 seats**, ALDE + En Marche score especially well in France, UK, Romania, Spain, the Netherlands, Germany and Czech Republic.
- EPP ends first in a some CEE Member States, including Germany, Estonia, Slovenia, Slovakia, Hungary, Romania, Croatia, Bulgaria and Greece.
- The **right-wing Eurosceptic parties** (divided over ECR, EFDD and ENF) make **substantial gains**, doing particularly well in Italy, UK, France, Belgium, Poland, Austria and Hungary.
- The Socialists make big gains in the Netherlands, Spain, Portugal and Sweden: S&D *Spitzenkandidat* Frans Timmermans unexpectedly wins the elections in the Netherlands
- In Greece, Prime Minister Tsipras announces **mid-term elections** in late June owing to the fact that his party lost its position as the largest party to the centre-right New Democracy.

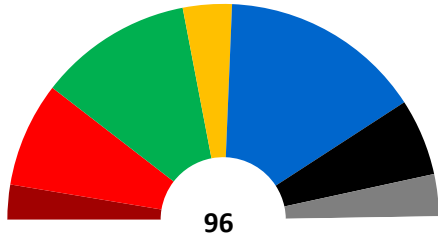




# Key Member States



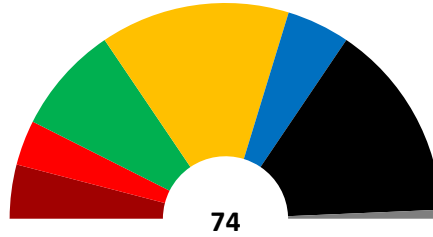
## Germany



- CDU (EPP) remains largest party despite decline of EPP+S&D coalition, which loses total of 16 seats, 5 of which from EPP
- SPD (S&D) lose 11 seats in historic defeat (16 in total)
- Greens come out as big winners, gaining 9 seats to reach 22
- AfD (ex-EFDD) will likely join Salvini-alliance, bringing 11 seats
- Liberals (ALDE) nearly double their seats (from 4 to 7)



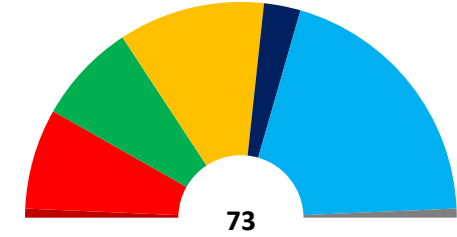
## France



- Highest turnout in 24 years (51.3%)
- Symbolic victory for Le Pen (22 seats) but loses 2 MEPs compared to 2014
- Macron gets 21 seats – biggest delegation into new ALDE
- EPP (-12 seats) and S&D (-8 seats) crash, whilst Greens make significant gains (+6 seats)



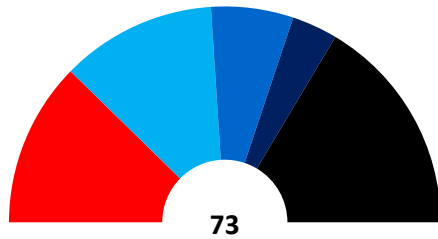
## UK



- Brexit Party (ex-EFDD) win by far, reaching 29 seats
- LibDems (ALDE) come out as main Remain party with +15 seats rise (16 in total), before Labour (S&D) and Greens, both with 11
- ECR and S&D suffer clear defeat (-15 and -9 seats, respectively), with Conservatives below 9% of vote share



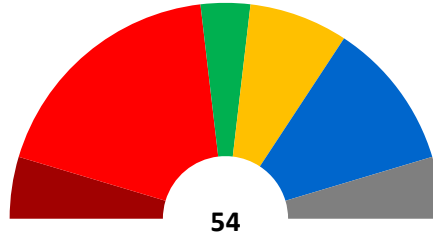
## Italy



- Salvini is elections' biggest winner with 28 MEPs (+23 seats)
- PD manage to secure second place (19 seats, -11) and will be S&D's second largest delegation
- 5 Star Movement (ex-EFDD) perform lower than expected, reaching 14 seats (-5 seats)
- Berlusconi's Forza Italia (EPP) lose 10 seats (7) and ECR enters with 5 MEPs



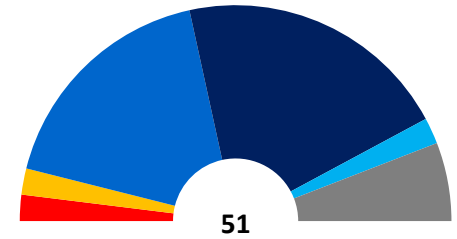
## Spain



- Highest turnout since 1987 (64%, +20pps compared to 2014)
- Clear win for the Socialists (20 seats), who become S&D's largest delegation and double EPP (12) and triple ALDE (7)
- Far-right makes more modest appearance than expected (3)
- Catalan pro-independence parties secure 5 seats, including ex-President Carles Puigdemont



## Poland



- Highest turnout ever (43%), nearly double of that in 2014
- Governing PIS (ECR) wins and gets 22 seats (+3)
- EPP comes second, reaching 17 seats (-6), ahead of S&D (2), ALDE (2) and EFDD (2)





# Possible Coalitions

The two main parties (EPP and S&D) lose their majority for the first time and will have to establish new alliances. Several alternative scenarios are possible, with the need to distinguish between possible short-term coalitions (e.g. EU top jobs) and long-term ones (i.e. concrete policy areas).

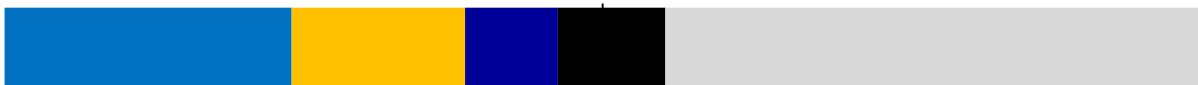
## Centrist pro-EU



## Left-wing



## Right-wing



## Eurosceptic



Majority (376)

■ EPP ■ S&D ■ ALDE+EM ■ ECR ■ ex-ENF ■ ex-EFDD ■ Greens ■ GUE ■ Others

**Most likely scenario:** Main pro-EU forces to unite for key votes (e.g. Commission President) and day-to-day policy-making. More horse-trading expected than during the previous term with ALDE and Greens having more power.

**Possible alternative:** Left-wing forces and liberals could find common ground on key strategic objectives (e.g. strategic agenda and EU top jobs) as well as certain ad hoc cases, but would fall short of a strong majority.

**Possible but less likely:** Right-wing forces (including Eurosceptics) could agree on certain specific legislative files (e.g. economic reforms), but are unlikely to set the basis for consistent approach across the board.

**Highly unlikely:** Radical-left, right-wing and far-right Eurosceptics all together will not be in a position to formally block anything. However, they could be a disruptive element to day-to-day policy-making.

# 02 || POLITICAL IMPLICATIONS



“There’s no stable majority against the EPP possible, having in mind that the EPP is the strongest group.”



“I’ll be looking for a progressive majority to do the things that the citizens expect from us. To tackle the subjects we need to tackle.”



“The monopoly of power is broken, which is why we can now build a progressive coalition of those who want to commit to change and take action.”



“For the first time there will be negotiations for the Commission Presidency. We will only support candidates who have run during the elections.”



“The Eurosceptics are those who govern Europe now.”





# Nomination of EU Top Jobs

The European Council will nominate a candidate for the Presidency of the European Commission as part of an EU top-jobs package (including the Commission President, the EU's High Representative, the ECB President and European Council President). This will reflect not only party affiliation but also the geographical and gender balance.

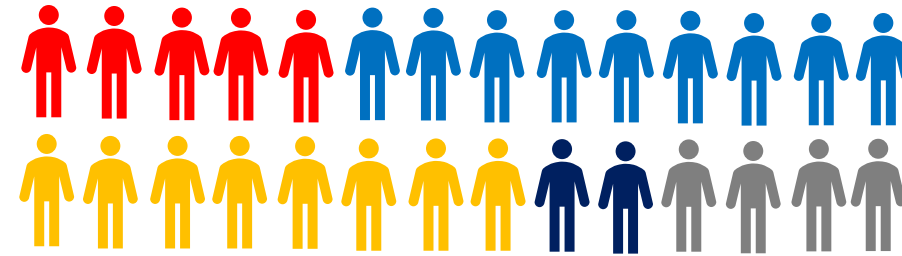
## Process:

1. The European Council will host an extraordinary EU Summit to discuss the appointment of EU top-jobs on 28 May.
2. The final nomination by the European Council is expected on 20-21 June Summit.
3. The decision among leaders is made by Qualified Majority Voting (at least 55% of MS representing at least 65% of total EU population). No Member State has veto powers.
4. The European Parliament will vote on the nominee in July (15-18 July).
5. After endorsement of the Commission President, the EP will host public hearings with Commissioner nominees and vote on the College of Commissioners as a whole (expected in October).

## Key elements to consider:

- European Parliament likely to push for a Spitzenkandidat (i.e. lead candidates) as only option for Commission Presidency.
- The European Council will likely oppose this as it would create an irreversible precedent for the future.
- ALDE and Greens likely to try to secure a top job as they will be necessary for a majority to be formed.
- Gender, geographic and demographic balance will play an important role. Vote in the EP is secret ballot.

## Composition of the European Council - EU 28



### **EPP affiliated Governments**

Ireland – Germany – Austria – Croatia – Latvia – Bulgaria – Romania – Hungary – Cyprus

### **S&D affiliated Governments**

Portugal – Spain – Slovakia – Sweden – Malta

### **ALDE affiliated Governments**

France – Belgium – Netherlands – Luxembourg – Czech Republic – Estonia – Finland – Denmark

### **ECR affiliated Governments**

UK – Poland

### **Other parties' affiliated Governments**

Italy – Greece – Latvia – Slovenia





# European Commission: Top Candidates' Profiles\*


  Has Merkel's and EP's backing  
EPP remains the largest party


 No previous executive experience  
EPP has limited power in EUCO  
DE seen as dominant across institutions


 **Agenda:** Migration, security and defence

**Manfred Weber** 

  S&D very close in seats to EPP  
Respected political career (especially as  
Commission First Vice-President)

 Doubtful legitimacy  
S&D score inflated by no-Brexit

 **Agenda:** Rule of law; climate change; social  
Europe


**Frans Timmermans** 


  Compromise between EPP and S&D  
Track record as Commissioner  
Top-level woman for the position

 Controversy over Siemens-Alstom case  
Denmark not in the eurozone  
ALDE only third-largest party



 **Agenda:** Digitalisation; climate change;  
ambitious future of EU vision

**Margrethe Vestager** 

Highly-respected for his Brexit work   
Could be compromise Macron-Merkel  
Very strong ties with the EP

Brexit not yet over   
Not Spitzenkandidat (EP reluctance)

**Agenda:** EU post-Brexit; French-German  
axis; new industrial/competition policy

 **Michel Barnier** 

Central and Eastern Europe   
Top-level woman for the position

Conflictual relationship with EC SecGen   
Not Spitzenkandidat (EP reluctance)

**Agenda:** Economic reform; International  
agenda

 **Kristalina Georgieva** 

Could be compromise candidate   
appealing mostly to ALDE and EPP

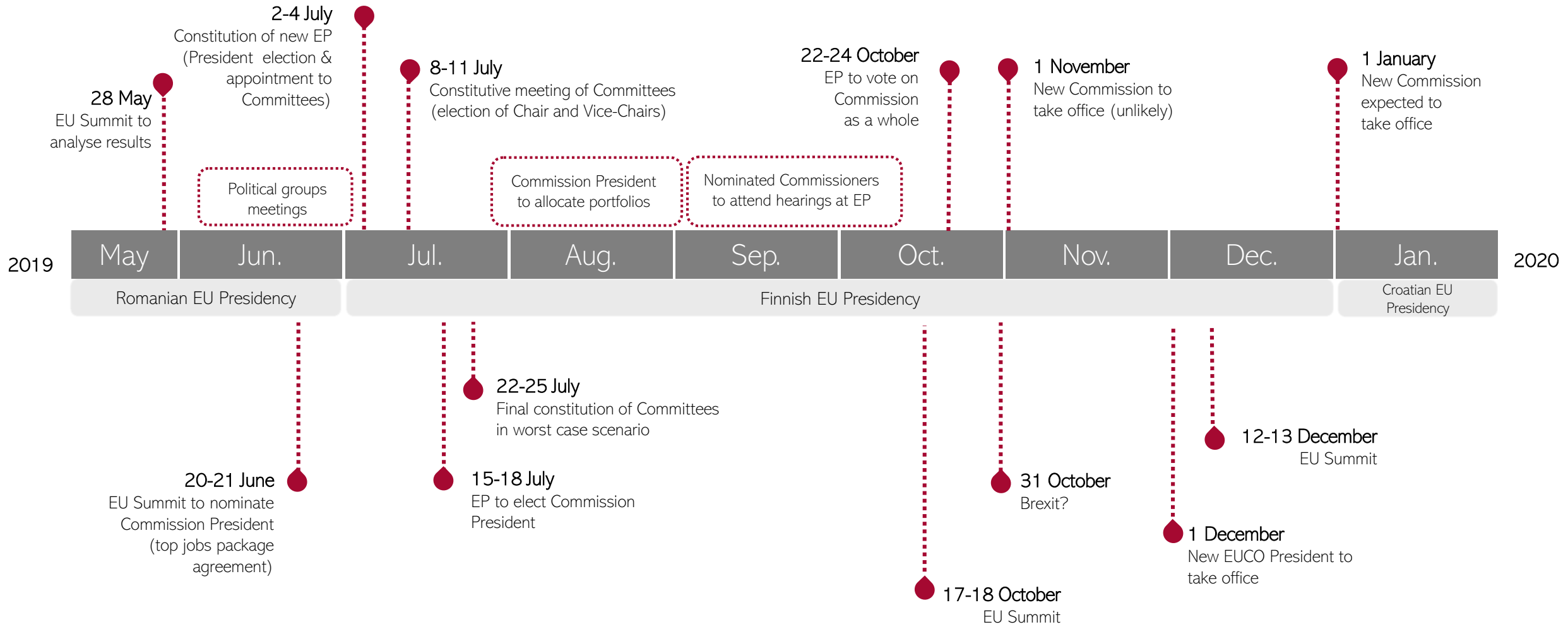
ALDE only third-largest party   
Not Spitzenkandidat (EP reluctance)

**Agenda:** Multi-speed EU; security and  
migration

 **Mark Rutte** 

\*Other candidates' names include Christine Lagarde (FR), Angela Merkel (DE), Peter Altmaier (DE), and Enda Kenny (IE) among others.

# Next Steps



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