

With the European Parliament ("EP") elections approaching and the growth of more radical parties, some observers accuse the European Commission ("EC") of abandoning or softening certain measures relating to health, agricultural and environmental rules, among others, in order to reduce the protest of certain professional classes such as farmers.

After much speculation, Ursula Von der Leyen has announced her willingness to run for a new mandate in the EC as the European People's Party's ("**EPP**") <u>main candidate</u> in the European elections in June, if the EPP so decides. The announcement was made in Berlin during a press conference at an event organised by her party, the Christian Democratic Union ("**CDU**") in Berlin.

"I ran in 2019 because I firmly believe in Europe. Europe is home to me, just like Lower Saxony is. And when the question came up whether I could imagine becoming President of the European Commission, I immediately said yes intuitively. Today, five years later, I am making a very conscious decision," she said after the announcement. Although Von der Leyen has only just announced her candidacy, it is likely that it has been in preparation for several months. Between a mixture of fear of losing voters to the far right and the aim of pleasing as many European voters as possible, some observers refer to the withdrawal, softening or freezing of some EC proposals on sensitive issues, some of them "flagships" of Von der Leyen herself, perhaps to avoid losing votes in the European elections.

There are many examples, mainly (but not only) concerning climate change, agriculture, food, alcohol and tobacco, proposals that are almost always opposed by conservative voices, including Von der Leyen's political family, chemical and agricultural lobbies and MEPs. Farmers, who continue to protest across Europe, are calling for more economic protection, less regulation and greater flexibility in the new <u>Common Agricultural Policy</u> ("**CAP**"): one of the loudest and most controversial proposals, the halving of pesticide use by 2030, has already been withdrawn.

At the same time, also due to the great opposition, the EC President seems to be devaluing the European Green Deal. At the last minute, the Commission quietly made some changes, seeking to make the <u>policies to make Europe climate-neutral by 2050</u> more favourable to farmers while preserving biodiversity.

Sacrificing climate proposals to regain the support of the farming community can make sense in this context. "Farmers need a worthwhile business case for nature-enhancing measures. Perhaps we have not made that case convincingly" she said. As well as announcing plans to protect farmers from competition from cheaper products from Ukraine, she also promised that the EC will allow farmers to use some land they had been previously required to keep fallow for environmental reasons. In other words, although one of the Good Agricultural and Environmental Conditions (imposed by EU Regulation 73/2009 on farmers, subject to cross-compliance in order to benefit from European support) requires that a minimum proportion of arable land is devoted to non-productive areas or features, the EC will reduce this requirement, while farmers remain eligible to receive the corresponding subsidies. In addition, several initiatives from the "Farm to Fork" strategy to promote sustainable food and farming have not been presented. The Legislative framework for sustainable food systems, supposedly the backbone of the strategy, approved by the EU's quality control board, has been postponed without much explanation. It is unclear whether the proposals have been dropped for good, or whether they will return when the situation stabilises.

This apparent trend, believed by commentators and analysts, also seems to be a sign of discomfort among the main European parties with the rise of extremism, especially the far right, at least if the polls in several European countries are to be believed.

Agriculture and climate are not the only problems. Last month, the EC was due to publish a proposal for a <u>recommendation on smoke-free environments</u>, aimed at protecting European citizens from exposure to second-hand smoke. The proposal was never presented.

Another proposal, to harmonise or even increase tobacco taxes, also seems to have been forgotten. As these are cancer prevention initiatives under the <u>Europe's Beating Cancer Plan</u>, they could help to change behaviour and reduce the risk of the disease; but they are initiatives that, at this time, could alienate significant sections of the electorate. Also as part of this plan, the Commission should have published (in 2022) a proposal for a regulation on <u>Food labelling</u>, a revision of rules on information <u>provided to consumers for alcoholic beverages</u>. There is no news.

At the same time, a new package of welfare rules for farmed animals, to start phasing out the use of cages, was ready for launch last summer; it was postponed indefinitely. Livestock lobbies strongly criticised these rules, which once again may (or may not) have led Von der Leyen not to finish what she had started. In December 2023, the Commission presented <u>a reduced version of this package</u>, which will most likely not be approved before the European elections.

The <u>Directive on Corporate Sustainability Reporting</u>, which amended Directive 2013/34/EU, requires certain companies to include in their management report information on the sustainability of their activity and how it may affect their development and performance. In July 2023, the Commission adopted the first cross-cutting norms and standards on the subject to facilitate the communication of this type of information. This was followed by sectoral rules for SMEs and non-EU companies with a turnover of 150 million euros in the EU, which have at least one subsidiary or branch here. The application of these new rules was scheduled to begin on the next 30th of June, but <u>the Commission proposed a postponement to the 30th of June 2026</u>, in response to requests from the business sector, a proposal welcomed by the Council of the EU and the EP. Some sectors and companies from third countries will only have to present sustainability reports in two years' time.

It seems clear that Europe is not making enough progress to be able to achieve its climate goals, especially in the context of agriculture. However, the actual circumstances may have taken the European Green Deal off the list of priorities.

Von der Leyen is recognised (and criticised) for her ambitious policies and tendency to micromanage European legislation and policies. Her current position, which seems to want to please as many voters as possible, could make her candidacy a kind of "compromise choice". And while some of the policies that have been at the heart of the Commission's strategy in this legislature (particularly the climate transition) seem to be regressing, the focus on security and defence is increasingly evident.

Will the strengthening of the more radical benches in the European arena mean an even greater setback for the European Green Deal and climate policies in general? Although the sustainability agenda is slowly losing momentum, perhaps the (new) Commission will be strong enough to keep it afloat.