



What can the EU expect from the new Belgian government?

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The political agreement² that made the new Belgian federal government possible mentions Europe nearly 130 times in an intentional emphasis. The fact that new prime minister Alexander de Croo presented his government's programme in the European Parliament – the very heart of the Brussels universe – constitutes an almost subliminal message in line with the content of the agreement: his government desires to be resolutely pro-European.

The general message is clear from the first pages: Belgium will be – again, in some respects – a good student of European integration, a driving force behind an ever closer Union. The government thus explicitly insists on the ‘pro-European engagement’ of Belgium and ‘opts resolutely for a firm, pro-European attitude.’ As the agreement reminds us, ‘a small, open economy’ like Belgium can find its salvation only in the embrace of the EU. The message gets through, even, it’s true, if it sometimes means mentioning certain elements that were once commonplace but are no longer

applicable to all Member States – for example, the agreement’s confirmation that Belgium will respect its obligations under EU law.

Does the agreement contain any surprises? Not really. There will be no revolution in Belgian foreign policy. More precisely, we are witnessing a return to a more traditional Belgian politics that was dented by the years when the country was co-ruled by the New Flemish Alliance (N-VA), the euroscepticism of whom was increasingly evident. The composition of the new government itself (socialists, liberals, greens and Flemish Christian democrats) aims for the centre and thus encourages this return of a traditional Belgian attitude towards the European project. The new government hopes ‘that Belgium, faithful to its history, will continue to build bridges and to actively seek a new European consensus.’ On more than one count, the text reflects the discourse of the State of the Union given by the president of the European Commission, Ursula von der Leyen, on 16 September 2020. The latter certainly views the arrival of this government in a positive light. This is fortunate, especially when one knows that the first drafts of the agreement were apparently less ambitious.

The analysis that follows endeavours to summarise the European dimension of the agreement. It is simply an overview.

WHAT DOES THE AGREEMENT SAY?

As previously stated, the text of the discourse on the State of the Union was certainly on the negotiating table. Between the preservation and the reinforcement of the Schengen rules, the creation of own resources, respect for the rule of law (and conditionality in the granting of European funds), support for Commission initiatives to deal with the pandemic and its consequences and so on, the numerous elements of the agreement have plenty to delight the occupants of Berlaymont.

As far as the EU internal market is concerned, in the broad sense, the government will engage in deepening it. It poses European integration as a preliminary step necessary to the increase of ‘levers to control our strategic interests, our values and the liberal and democratic norms beyond our frontiers.’

From a fiscal point of view, the new government asks for ‘a form of taxation [...] on digital services’ and announces that it will take the initiative in the discussions – already underway – at the EU level and at the OECD. If no agreement is found at either of these levels, Belgium will adopt its own regimen in 2023. No longer a question of taking the initiative but rather a ‘constructive role’ in the concretisation of ‘projects of fiscal European harmony and cooperation between Member States.’ The agreement mentions the revision of VAT, the establishment of a common (consolidated) base taxation for corporations, and taxes on financial institutions ‘among others’. The government positions itself, furthermore, ‘in favour of revising the current tax exemption for kerosene’. It expresses, lastly, the hope of ‘arriving at full monetary and fiscal union.’

At the social level, the new government intends to support the Commission in the initiative aimed at guaranteeing a minimum wage in the EU – welcome support for the Commission when we know that the question does not fall within the EU’s domain of competences and that whatever progress can be made in this area cannot be reached without the voluntary collaboration of Member States. The new government will furthermore continue to ‘actively’ support the development of the permanent European Unemployment Benefit Scheme currently under discussion, as well as ‘the initiatives concerning the European guarantee for infants and the revised European Youth Guarantee.’ The government will not fail, furthermore, to invest ‘actively in the development of the new European Labour Authority and will support the establishment of a “social Europol” charged with monitoring the posting of workers at European level.’

At the environmental level, the government intends to commit fully to the fulfilment of the European Green Deal, notably to reach targets for the reduction of greenhouse gas emissions by 55% by the 2030 horizon and achieve climate neutrality by 2050. The agreement thus here once again echoes the recent speech on the State of the Union. Let us also mention that the government intends to support the Commission in its strategy on plastics, notably in the ambition of harmonising the rules on the material.

The sixth and final focus of the agreement is entitled: ‘Belgium: a strong voice in Europe and the world.’ Thus, beyond the frontiers of the EU, the agreement evokes Belgium’s attachment to ‘robust multilateralism’ while underlining that ‘European integration’ is the ‘most important lever’ to achieve this goal: ‘the EU [is] the best instrument for defending Belgian interests at the global level,’ to confront the ‘great challenges of our time’ and protect fundamental rights. The new government thus subscribes fully to the EU’s

ambitions for strategic autonomy, which will notably please the president of the European Council, Charles Michel. Following the same line of thought, the government then pleads with the EU to ‘equip itself with a true capacity for scientific, industrial and military action that [allow it] to be a significant diplomatic actor on the world stage’ and support the European Defence Fund and PESCO. All this while reiterating its attachment to NATO, which must, according to the government, remain, ‘the cornerstone of the collective defence of Europe.’ Belgium will continue, furthermore, to plead in favour of the transition from unanimity to a qualified majority voting in the decision-making process of the CFSP.

On the question of asylum and immigration, the government announces ‘a humane policy for people who require protection and a firm return policy’. The government adds that ‘Belgium [will] show humanity and solidarity in the case of situations of acute urgency overseas that require the welcoming of vulnerable people.’ In other words, between a ‘common asylum policy for Europe’, an ‘equitable distribution of responsibilities and expenses’ at the European level and ‘reinforced external borders’, every political hue will be satisfied. Defining the Belgian position in the framework of negotiations on the future European Pact on Asylum and Migration will not, however, be easy – not to mention the pressure that will be exercised on this government by a ferocious opposition at national level on this subject.

Given that one of the authors of the report is none other than Paul Magnette, who, in 2016, led the opposition to CETA, many observers will have been attentive to the section of the agreement on the EU’s common trade policy. If the new government insists, on the one hand, on the maintenance of an ‘ambitious foreign trade strategy, [driven] by securing alliances around lasting trade relations’, it reiterates its attachment

to the inclusion in these agreements of ‘high social and environmental standards’ (and human rights), giving as examples the ‘fundamental norms of the International Labour Organization’, compatibility with the Paris Agreement or ‘the application of OECD criteria for fiscal transparency’. The new government then warns, in a tone perhaps more threatening and taking account of the ‘previous CETA’, that ‘Belgium will not, therefore, accept new trade and investment agreements except when these standards are applicable and binding.’ It seeks nevertheless to reassure by stressing that it ‘will be a trustworthy partner throughout the ratification of trade agreements.’ As for treaties already signed, they ‘will be presented for ratification in view of a debate in the [federal] parliament on the basis of an impact analysis or the general interests of the Belgian economy and, in particular, the chapter on sustainable development will be evaluated.’ It remains to be seen what will underlie this impact analysis. Finally, on the thorny subject of dispute resolution that led Belgium to ask the European Court of Justice on the compatibility of the mechanism envisaged by CETA with EU law, the government confirms that Belgium will contribute to the creation of a multilateral investment tribunal. As long as this tribunal does not exist, the government will ensure that future agreements foresee ‘the creation of a tribunal for dispute resolution that offers substantial guarantees concerning its independence and respect for the rule of law.’

Finally, aware that Belgium is among those countries most affected in the event of an absence of an agreement on the future partnership between the EU and the UK – and even if one is struck – the text devotes a paragraph to Brexit, reiterating that Belgium wishes to achieve ‘the most ambitious, balanced and coherent agreement possible’ that respects ‘the founding principles of the EU’. In the absence of an agreement or in the case of a bare

minimum agreement, ‘special aid for the regions and sectors affected should be furnished from EU budgets.’

HOW WILL THE GOVERNMENT PROCEED?

The institutional complexity of Belgium has historically made complicate the definition of a Belgian position on different dossiers. The new government ‘intends to make an important contribution to modernisation, to the improvement of efficiency and to the deepening of state structures.’ The agreement adds that ‘the conception and [...] the execution of Belgian foreign and European policy will be realised through cooperative federalism. In this, pragmatism will prevail in the interest of a strong representation of the country, of its citizens and its businesses.’ One of the first dossiers likely to put this cooperative federalism to the test will be the question of the ‘correct distribution between [the federal authority], the federated and local entities’ of benefits drawn from the Next Generation EU recovery plan. This institutional work is, for many dossiers, a necessary prerequisite to once more become a strong partner in European integration.

Competence for European affairs has been added to the portfolio of the new minister of foreign affairs, who is none other than the outbound prime minister, Sophie Wilmès. One interesting institutional development that would have echoed similar developments in other Member States would have been integrating competence for European affairs into the prime minister’s chancellery. It will not happen this time, and that is not necessarily a bad thing. The fact that foreign policy, European policy, and overseas trade³ (to the extent to which it is of federal competence) arise from the same portfolio is fortunate, because the political mosaic could have caused a fragmentation that would have introduced checks and reciprocal paralyses. Furthermore, to choose a former prime minister, accustomed to European circles, is a strategic choice and judicious policy. The same applies to the choice of the prime

minister, Alexander de Croo, for whom the European scene is no secret due to his long ministerial experience. To maintain a liberal in this post should above all permit – in the context of current foreign policy – the maintenance of good relations with other Benelux states and with the French Republic. The choice of a Dutch speaker could furthermore have the effect of recharging relations with the Netherlands.

In conclusion, the agreement does not indicate the future position of the federal Belgian government on all the current European dossiers, but it mentions quite many. The outlines are thus traced, delivering a general message that is resolutely pro-European and will be useful to bear in mind, particularly in view of the Belgian presidency of the Council of the EU for the first half of 2024. This will mark the last months of the government (if all goes well till then) but also those of the European legislature in session. If the new government wants this presidency to be the culmination of certain dossiers, it must then engage itself very proactively in the European agenda without delay.

It must nevertheless equally be borne in mind that this agreement is the fruit of a compromise between no fewer than seven political parties from four different political families, something that will not fail to astonish many foreign observers once more. This without doubt explains the patchwork of scraps of programmes from these different parties, the assemblage of intentions that could prove difficult to reconcile and the concrete realisation of which risks being ridden with pitfalls. But the optimism is present, and the declared ambition is grand: in 2030, the bicentenary year of Belgium’s independence, the government wishes that the country appears once more ‘in Europe as a model of economic dynamism, of effective solidarity and sustainable development.’ The date has been set.

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Endnotes

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² Rapport des Formateurs/Verlag van de Formateurs, Paul Magnette and Alexander de Croo, 30 September 2020.

³ Development cooperation belongs to another portfolio, that of Minister Meryame Kitir.



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