

2024 European Parliament Election: Results & Implications for Business

INITIAL EP RESULTS BY THE NUMBERS (*Note that EP expands from 705 to 720 members)

Members of European Parliament	Outgoing EP	2024 results	Difference
EPP: Centre-right	176	184	+8
S&D: Centre-left	139	139	0
Renew: Liberals & Centrists	102	80	-22
Greens/EFA: Greens & regionalist parties	72	52	-20
ECR: Conservatives/right	69	73	+4
ID: Far right/nationalists	49	58	+9
Left: Far left	37	36	-1
Non-affiliated parties (including yet to declare)	61	98	+37
Total	705	720	+15

KEY ELECTION TAKEAWAYS

Nationalist/right-wing and other populist parties reach historic number of seats: The election has resulted in the much-predicted rise of nationalist/right-wing and populist parties, currently grouped in the European Parliament (EP) as ECR, ID and in the group of “non-attached MEPs”. Compared to the opinion polls, these parties performed particularly well in countries like France, but gained less than predicted in others. These parties are now considering what their role should be in the new legislature.

Centre-right EPP and centre-left S&D maintain their previous level of support and are the largest two groups: Overall both EPP and S&D held their ground and will continue to dominate the new EP. The EPP remains the largest group, matching their presence in the European Council of national Prime Minister and Presidents. This means the new EP will still have a centrist majority, if it can hold together.

Liberals and Greens suffer the biggest defeats: Following their historically high results in 2019, the liberal centrist Renew group suffered the biggest losses, with huge setbacks in especially France (Renew is **French President Macron’s** party) and in Spain. It will likely play a reduced role in the next majority. Greens also suffered a major setback, especially in Germany and France, indicating that the green deal agenda may not have the same level of priority as it did in 2019.

Macron and/or chaos: French President Macron chose to dissolve the French parliament after the EP election result and calling a snap election in less than a month from now, leaving questions on his next steps at EU level.

Trust the polls, at least the last ones: A remarkably high number of voters only made up their minds in the final days of the election but, where there were late polls, these swings were reasonably reflected.

Finding majorities on policy files and confirmation of new Commission President may be tricky: The new Parliament will lack clear majorities. Finding stable and consistent support on policy files may be difficult, leaving greater uncertainty in contentious policy areas, which might well include approving the next Commission President nominee and, indeed, the EU Commission as a whole.

THE POLICY DYNAMICS – WHAT KIND OF RIGHT TURN FOR EU?

Change of policy priorities: While alliances between political groups in the outgoing mandate tilted to the centre-left on many policies, the new rightward shift in EP, which mirrors the change in the Council composition, has changed that balance. It seems likely that the majority will be fluid on many policy issues, which may well hinder ambitions on the Green Deal and consumer protections, favouring instead a stronger focus on competitiveness, re-industrialisation and tackling migration. A more pro-business majority will likely dominate but at the same time, in reaction to geopolitical tensions, the EU may also turn increasingly towards protectionist trade measures.

Uncertainty on policy alliances: It is yet to be seen how this strong result for the nationalist, right-wing parties will manifest itself. On the one hand, parties from the centre, centre-left and extreme left have ruled out working with them in the EP and are exploring a centrist majority which may also include the Greens. On the other, the centre-right EPP and parts of the centrist Renew have signalled that they could be open to cooperating with ‘less extreme’ groups, e.g. the ECR, led by **Italian Prime Minister Meloni**. Discussions about a possible regrouping of right-wing parties are certainly ongoing and might allow for a more constructive ‘majority option’ inside the EP. It remains to be seen if the ECR and ID will take on the chance to drive policies or whether they will instead act as ‘spoilers’. Historical voting patterns indicate that MEPs from the right ‘fringe’ often ignore the voting recommendations of their political groups, so it may well prove difficult to rely on them for more than ad-hoc alliances on single votes.

POLICY IMPACT AND IMPLICATIONS FOR NORTH AMERICA

North American businesses and diplomats have been engaged with Europeans for decades but as the EU continues to evolve, so do transatlantic relationships. Ukraine/NATO and ‘big tech’ are two live concerns in Brussels. Current European concerns about ‘strategic autonomy’ and ‘tech sovereignty’ are likely to persist in the new European Parliament and Commission, as the rightward shift includes pro-Europe nationalists and protectionists as well as transatlanticists and free marketeers. It is likely the politicization of European competition regulation will accelerate, favoring EU champions and the exclusion of non-European players, even those from close allies. Major losses for Liberals and Greens will hinder the Green Deal and consumer protection efforts, as new MEPs turn to competitiveness and re-industrialization agendas. This won’t stop the impact of EU environmental rules, such as REACH, on third country businesses nor will the new institutions slow Brussels’ ambition to proselytize its models via the so-called ‘Brussels effect’.

THE INSTITUTIONAL CHANGEOVER

Who will lead EU: Political negotiations on top jobs and EU priorities for the next mandate start straight after the election. This includes the Commission President, Council President, EP President, Commissioner for Foreign Affairs (High Representative) and likely also a new Defence & Security Commissioner position. The new NATO Secretary General will also be part of a wider compromise among Europe’s political party families. Factors taken into consideration include the parties’ political weights and but also candidates’ geographical origin, gender, previous political roles, etc. The current favourite for the Commission President position is the incumbent, **Ursula von der Leyen**. Should the European Council choose not to nominate her or should she fail to convince enough MEPs during her approval vote (a real possibility), other EPP heavyweights will begin to contest the position.

After the institutional changeover, the leaders of the Council will face an interesting period. **French President Macron** and his Renew party will have suffered a heavy defeat in the EP elections, **German Chancellor Scholz** will be facing an increasingly ominous-looking national election in 2025, and **Spanish Prime Minister Sanchez** will be leading a currently very unstable government. Italy may prove a beacon of stability but **Prime Minister**

Meloni will be leading the ECR, one of the newly powerful right-wing party groups. In the absence of strong national leaders, we may find the people holding the EU top positions having an even bigger role in shaping the direction of the continent than in previous mandates.

TIMELINE

- **13-15 June:** G7 gathering in Italy, where key EU stakeholders attend
- **17 June and 27-28 June:** Meetings of EU Heads of State and Government to decide nominees for top positions and EU priorities. If necessary, additional extraordinary meetings can be convened early July.
- **18 July (or less likely Mid-September):** Confirmation vote on the Commission President nominee in the EP.
- **Late summer:** National commissioner nominees will be public, followed by portfolio allocations and then approval hearings in the EP. Second rounds of hearings have been required in the past.
- **December/January:** Start of the new European Commission. In case of difficulties in the nomination or approval processes, the new Commission could possibly start work even later than January 2025.