

Unpicking the European election results: will sustainability fall down the agenda?

Elections, elections, elections... Have you had enough yet? How many times have we heard this year that, across the world, there are more national and other elections in 2024 than ever before? Do these elections really matter? How do they impact the consulting engineering sector? The European Federation of Engineering Consultancy Associations (EFCA) thinks that at least one vote really mattered this year, writes Sue Arundale, Director General, EFCA.



Across 27 countries between 6 and 9 June, voters went to the polls to decide who would represent them in the European Parliament. As expected, the electorate did not appear to pay attention to the actual work or purpose of the European Parliament, but rather used the election to kick national governments at a time of rising dismay about the cost-of-living crisis, immigration, energy shortages and national security. “So what?”, you might be thinking.

Here, EFCA will try to answer that question, turning attention to the possible impact of the outcome of the European elections on our sector. We give our first assessment on the power shift, which has put the group of liberals in fourth place, behind the populist and far-right leaning group, the European Conservatives and Reformists.

What just happened?

The traditional three major players in the European Parliament are the groups of national conservatives, social democrats and liberals (European People’s Party, Progressive Alliance of Socialists and Democrats and Renew Europe respectively.) Although collectively, these three groups will retain a working majority, with 399 seats out of a possible 720, Renew Europe’s losses, which were higher than ECR’s gains, were notable, even jaw-dropping (not to mention the car crash that was the results of the Greens). The results also reflect a slow but steady erosion of power held by the “centre” ground. So what will this mean for the

day-to-day business in the EU Parliament and for EU policy-making in general?

So far, we believe that not much will change in the Parliament itself because the reality is that – unless key positions in the various Committees (known as Rapporteurs and Shadow Rapporteurs) are won by MEPs from ECR or the more extreme groups on the fringes – it is unlikely that key proposals can be derailed any more than they would be anyway, as they go through the often-long and convoluted negotiations. That said, all far-right national parties have indicated that they will disrupt the work of the Parliament as much as possible, and even ignore the rules and procedures.

However, at this point, readers should be reminded that all EU regulation is developed and agreed by two bodies, known as the co-legislators. One is the Parliament and the other, the Member States, acting together as a body known variously as the “Council” (for short), “Consilium” (more official) and by other, often incorrect terms. This is where it could get tricky. It should be remembered that all far-right national parties are unashamedly anti-EU.

If you follow EU politics, you will be aware of several stories over the years about certain countries (often Hungary) blocking a key decision/agreement over a new, or revised existing legislative text. The impact at EU level could be that those national governments that have swung to the right (or in another radical direction) could use the EU legislative process to derail negotiations on files that they oppose. This could result in roadblocks hitting

key sustainability and climate policies, international development and partnerships, and greater hostility to immigrants and refugees. There could also be a significant shift over Ukraine, in particular financial aid, the EU collective approach and the eventual accession to the EU of the country.

Impact of roadblocks

Three key policy areas that usually benefit our sector and are often linked to EU/Member State finance are Development Aid, the Green Deal/climate measures and digitalisation. The latter is responding to the rapid development of AI and is addressing the ongoing challenge of how to curb the power of the big tech companies. We should also not forget about work that is being done to boost EU autonomy, in the wake of the alarming behaviour of third countries, some of which are very deregulated on the one hand, state controlled on the other (meaning that competition is not “fair”), and rich in critical raw materials and digital infrastructure. Digging deeper on each, EFCA is concerned as follows:

Development aid funding, contracts and partnership arrangements facilitate business for consulting engineers in regions such as Africa. It is known that the more right-leaning parties generally oppose development aid policy. This is because it takes investment away from domestic firms and economies, allegedly feeds corruption and “dependency” in the target countries, and at the same time encourages migration to Europe. These

parties want to make further aid conditional on the countries taking back their migrants. Any obstacles here could hit consulting engineering firms working in large infrastructure projects in these third countries. It could mean less funding, poorer contracts, less stable working environments and higher risk, making these markets untenable.

Green Deal and climate policy

We know that far-right parties are not fans of the Green Deal, one key leader calling it a “green dictatorship”. This flag-ship initiative is seen as provoking de-industrialisation and deterring innovation. Worse, some parties are openly climate deniers. Some of these parties would prefer to focus not on sustainability, but on curbing immigration and securing domestic energy supply, often through fossil fuels and nuclear power. Moreover, they rail against the associated demands on companies (via e.g. taxonomy and sustainability reporting), as well as the “punitive” higher standards sought by the EU. They compare EU action with countries that prefer to compete by reducing demands and associated costs for companies and those that, frankly, either do not care, or see the responsibility for solving the climate emergency as the responsibility of the “first world”, which (often said) caused the climate problem in the first place.

Sustainability – a source of opportunities for consulting engineers who have the expertise to implement the Green Deal, among other measures – could fall down the EU agenda, under pressure from certain member states. That means less opportunities for the sector.

Digitalisation

We need not only higher investment to accelerate the digital transition, but also really better regulation, tighter cybersecurity, clarity over data ownership and

open standards for BIM. We also need controls over the alarming risks that could be posed by AI. We need to deal with the question of ethics and how to limit the uses of AI to those that benefit, not harm, the economy, jobs and society in general. Dare I say it? ... those parties, politicians and national governments that may be closer to regimes that are not only hostile to the EU, but are actually sabotaging our democracy, through hacking, misinformation, malware etc, could threaten our industry. They could do this by stalling policy development in this area, or influencing it in a way that will reduce the protection that is being built in by relevant regulation.

Immigration

The impact of immigration is fairly obvious. We have a skills shortage and many of our consulting engineering firms rely, to a certain extent, on a degree of controlled immigration to fill the gaps. An aggressive stance on immigration, without an equally-aggressive acceleration on investment in training and education in the EU, will mean a smaller talent pool.

EU autonomy and competitiveness

So many things to say here, so little space in this article. Perhaps it is enough to say that, as some far right and extremist (future at the time of writing) governments (France?) might be toying with turning their ideological hatred of the EU into dismantling the bloc, needless to say, the sector – but also our very future as a significant world region – could be in jeopardy.

Hopefully, I have explained here why EFCA believes the European elections were a very important issue. As always, we will continue to represent the sector in the new political term by monitoring, analysing and influencing the legislative programme. ■

