



The European elections 2019

Setting the course for a strong Europe

The European elections in 2019 are the ninth direct elections to the European Parliament. The result will set the political direction of the European Union (EU) for the next five years – not only concerning the responsible decision-makers but also regarding the political agenda. In addition, there are challenges for the future of the EU, such as the impact of Brexit, increasing populism and general scepticism towards the EU. In many areas, the overall policy direction and the way these challenges are addressed are decided in Brussels rather than at national level. This year's elections are therefore of utmost importance in setting the course for all EU citizens. The outcome of the elections also has an influence on the renewal of the European Commission.

The European elections in Germany

On 19 September 2018, the Federal Government set 26 May 2019 as the election date for the European elections in Germany. Every voter has one vote. Germany has 96 members in the European Parliament. The election in Germany is based on the principles of proportional representation with list election proposals. These can be drawn up for one country or as a common list for all countries. Citizens of the other EU member states residing in Germany can also take part in the elections to the European Parliament here.

(Source: Der Bundeswahlleiter, Statistisches Bundesamt Wiesbaden)

The election result sets the course for the EU

New majorities

From 23 to 26 May 2019, around 400 million voters in the EU member states will be called upon to elect the members of the European Parliament (MEPs). The number of MEPs in the new legislative period will be 751, or 705 respectively if Brexit is determined before the election. However, this will not be the only reason for new majorities in Parliament: eurosceptic parties could gain ground overall, increasing pressure on the established parties and making it more difficult to reach compromises capable of winning a majority.

Replacement of key posts

It is not only the strength of the parties represented in Parliament that depends on the elections. The new balance of power between the elected parties also forms the basis for the new presidency of the European Commission. The major European parties nominate a top candidate for the election, and the party that wins the most seats nominates their desired candidate for the office of President of the Commission. On this basis, the President of the European Council proposes a candidate for the office of President of the Commission who is capable of winning a majority. The European Parliament has to approve this candidate and subsequently all Commissioners before the European Council officially appoints the new European Commission.

In addition to the President of the Commission, the President of the European Parliament and the President of the European Council will also be determined after the European elections; they will be elected by the MEPs or by the national

governments in the European Council respectively. Another important decision to be taken in 2019 is the replacement of the President of the European Central Bank (ECB).

Main actors in the EU legislative process

The European Council: it consists of the Heads of State or Government and decides on the EU's overall direction and political priorities.

The European Commission: it has the exclusive right to draw up legislative proposals. It consults e.g. with the ECB which, in turn, consults with national central banks and European and national supervisory authorities.

The European Parliament: it is a central element in the legislative process due to its and its information and voting rights.

The Council of the European Union: national ministers discuss and vote on EU legislative proposals.

New agenda for the further development of the EU

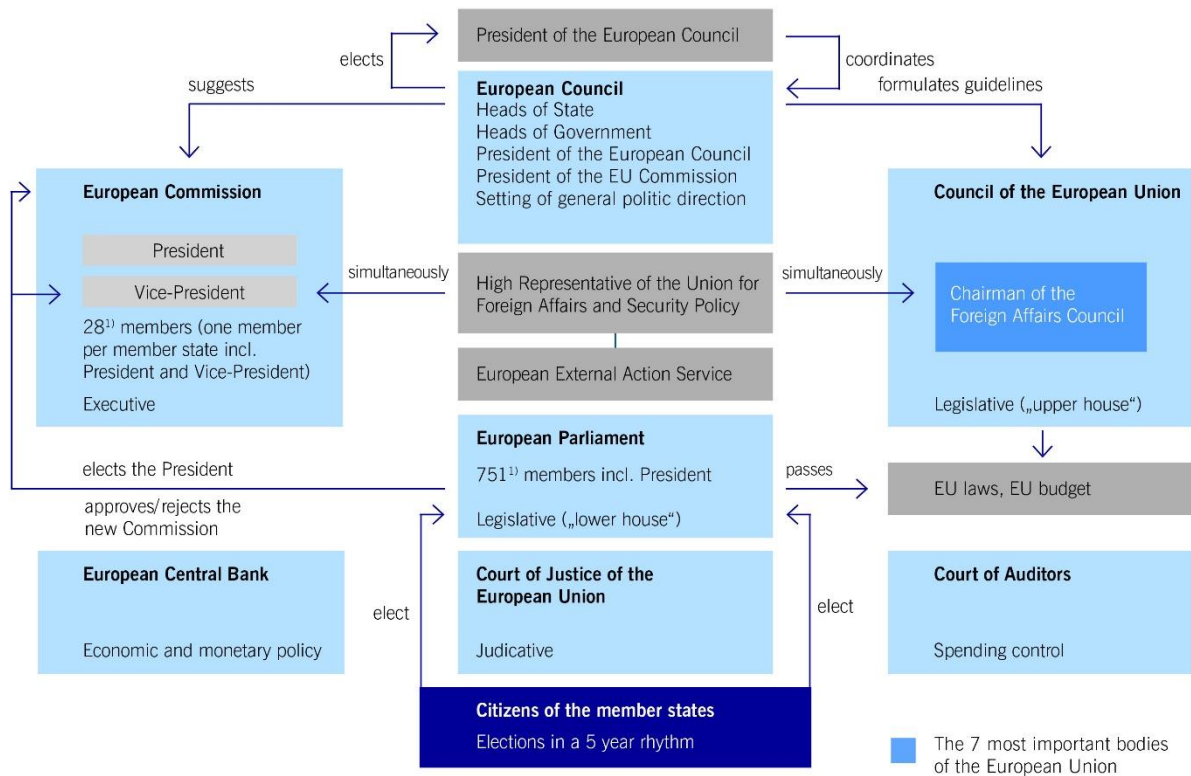
The new European Commission will set priorities for its five-year mandate and determine the EU agenda for the legislative term 2019 to 2024 accordingly. Employment and growth, the euro, sustainability and climate, digitalisation, trade and security are expected to remain high on the Commission's agenda.

The importance of the EU agenda for stable and efficient financial markets

So much depends on the outcome of the European elections, not only for the political agenda in general – globally and in the EU – but also for the financial markets. Deutsche Börse Group, as a European financial market infrastructure provider, is significantly influenced by EU financial market regulation and the European system of financial supervision. A reliable and continuous update of the projects and plans in the regulatory area – e.g. the further development of the MiFID Directive and the finalisation of the G20 stability agenda – is of central importance to us. Also other points should not be missing on the agenda of the new Commission, such as sustainability, new approaches to the Capital Markets Union or strengthening the role of the euro. A deepening of the EU in economic and financial policy matters should help to ensure that the EU remains an important player in international competition.

The EU has already achieved much in recent years to make financial markets safer. However, European financial markets must remain competitive in the future and are therefore facing important challenges: European companies need a strong and efficient financial market to adequately implement their capital and financing plans. In order to achieve this, we need an efficient financial infrastructure within the EU. The EU's focus in the coming years should therefore be on further developing the financial markets so that they can help generate growth in Europe and finance social and economic challenges, such as sustainability, digitalisation and retirement provisions. The European elections are one of the keys to the further development of the EU within this context.

Decision-making bodies and processes on EU level



1) In the event of Brexit, 27 member states will be represented in the European Commission and 705 members in the European Parliament.

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