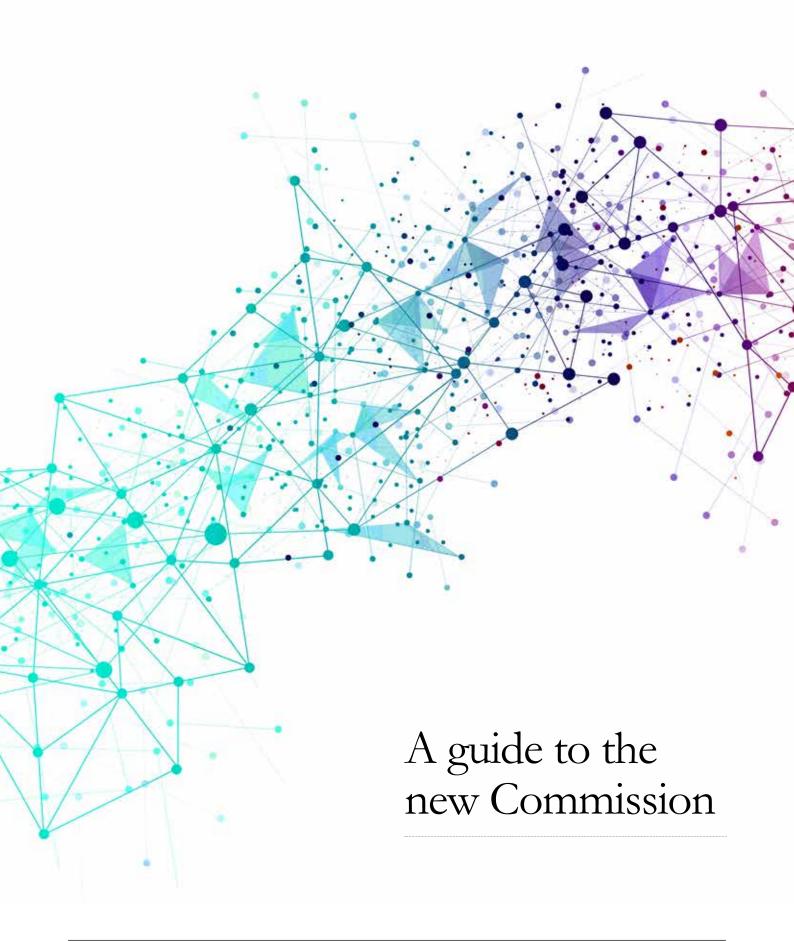
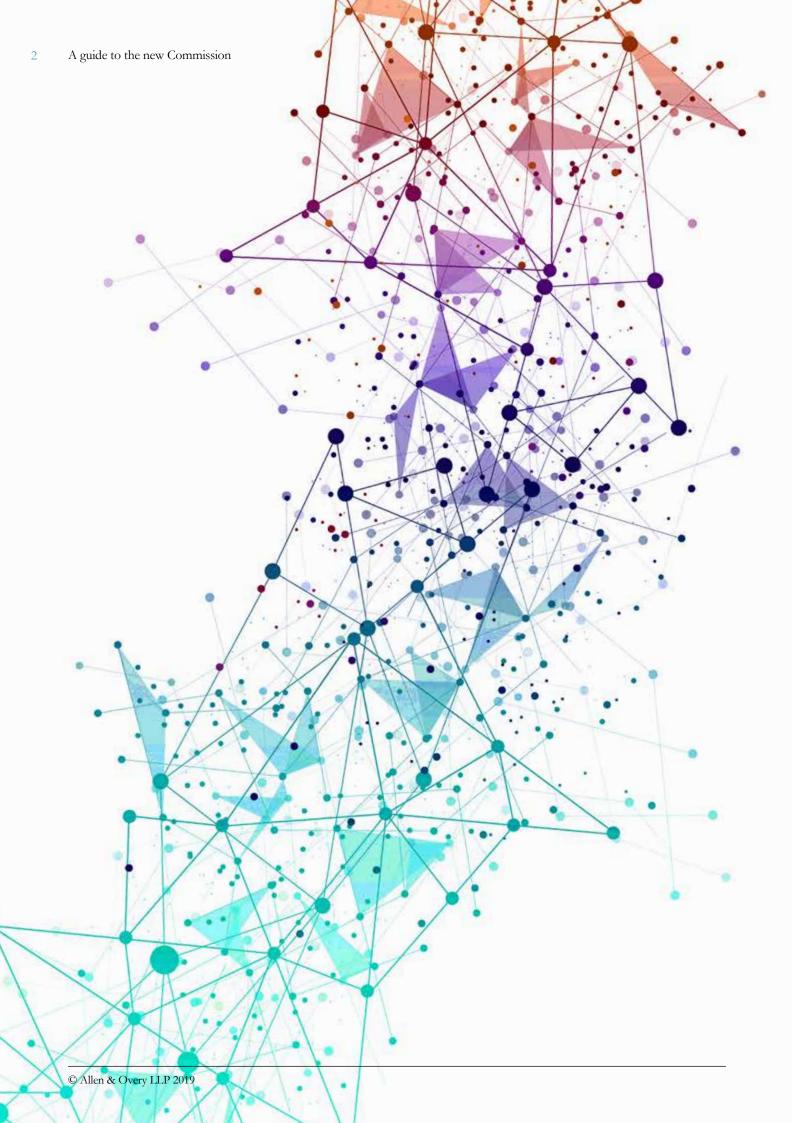
ALLEN & OVERY





A guide to the new Commission

On 10 September, Commission President-elect Ursula von der Leyen announced the new European Commission. There were scarcely any leaks in advance about the structure of the new Commission and the allocation of dossiers which indicates that the new Commission President-elect will run a very tight ship. All the Commission candidates will need approval from the European Parliament in formal hearings before they can take up their posts on 1 November. Von der Leyen herself won confirmation in July and the Spanish Commissioner Josep Borrell had already been confirmed as High Representative of the Union for Foreign Policy and Security Policy.

The new College of Commissioners will have eight Vice-Presidents and of these three will be Executive Vice-Presidents with supercharged portfolios with responsibility for core topics of the Commission's agenda. Frans Timmermans (Netherlands) and Margrethe Vestager (Denmark), who are incumbent Commissioners and who were both candidates for the Presidency, were rewarded with major portfolios.

Frans Timmermans, who was a Vice-President and Mr Junker's right-hand man in the former Commission, will co-ordinate work on the 'European Green Deal', managing climate action policy supported by the Directorate-General for Climate Action. This is a huge brief covering climate policy, the environment, green finance, water, transport and more besides. It is interesting that in her mission letter to the new Commissioner-designate for Energy (Kadri Simson – Estonia) the President-elect says: "As a rule, you will work under the guidance of the Executive Vice-President for the European Green Deal." Timmermans will also chair the College of Commissioners in von der Leyen's absence.

Margrethe Vestager, whose mandate is renewed as Competition Commissioner, now has a very powerful role comprising not only the classic competition dossier but also co-ordinating Commission policy across the whole digital economy, including big data, AI, cybersecurity, technological innovation and the taxation of digital companies. The title Mrs Vestager has been given in the President-elect's mission letter is 'Executive Vice-President for a Europe fit for the Digital Age'. The fact that Mrs Vestager has already headed the Competition portfolio in the Juncker Commission combined with her enhanced role as Executive Vice-President for Digital means that she will be a powerful force in the new Commission and on the world stage. It remains to be seen whether there will be an inherent conflict between industrial policy objectives and competition enforcement in Mrs Vestager's new combined role.

The third Executive Vice-President-elect is Valdis Dombrovskis (Latvia) who was a Vice-President and Commissioner for the Euro in the Juncker Commission. He will have responsibility for financial services and in his role as Executive Vice-President will "co-ordinate an economy that works for the people", which presumably means consumers. He will be responsible for the fiscal and macroeconomic policies of Member States and for strengthening the European economy against economic shocks. His role will cover future development of the Banking Union and Capital Markets Union ensuring financial stability especially with regard to an imminent Brexit.

"As a rule, you will work under the guidance of the Exective Vice-President for the European Green Deal."

Mission letter to Commissoner-designate for Energy

"It remains to be seen whether there will be an inherent conflict between industrial policy objectives and competition enforcement in Mrs Vestager's new combined role."

As was widely predicted, France's Sylvie Goulard and Italy's Paolo Gentiloni have been awarded major portfolios. Sylvie Goulard will be Internal Market Commissioner and will lead work on industrial policy and promoting the digital single market, presumably under guidance from Executive Vice-President-elect Vestager. She will also be responsible for a new Directorate-General for the Defence Industry and Space. She is a former French Defence Minister. She will oversee the establishment of a European strategy for regulating AI and with Mrs Vestager will push forward a Digital Services Act on E-Commerce.

Italy's Paolo Gentiloni will become the new Commissioner for the Economy with responsibility for fiscal affairs. This reflects a desire to reset relations with Italy's more pro-European governing coalition which Mr Gentiloni played a major role in bringing about.

Phil Hogan (Ireland), the incumbent Commissioner for Agriculture, will become the new Trade Commissioner and as such will be the EU's chief negotiator on trade deals, including, of course, any future trade deal between the EU and UK after Brexit. Michel Barnier remains the chief negotiator on the terms of the UK's withdrawal from the EU. The trade portfolio is very important not only because of Brexit. The trade deal with Mercosur sits at the top of the agenda. There are also strained trade negotiations in progress with the U.S. and China.

The new Commissioner-designate for Neighbourhood and Enlargement is Lázló Trócsányi (Hungary). It had been thought this post would go to Dubravke Šuica (Croatia) as most of the candidate counties for enlargement come from the Balkans. Given Trócsányi's close relations with Hungary's authoritarian Victor Orban it is already being questioned if he is best placed to assess and make determinations on the rule of law in the accession countries.

Didier Reynders (Belgium) has been appointed Commissioner-designate for Justice, including the Rule of Law. It is not clear how this will interact with Věra Jourová's portfolio which now bears the title 'Values and Transparency'.

The titles of some portfolios seem straightforward eg Agriculture (Janusz Wojciechowski – Poland), Jobs (Nicolas Schmit – Luxembourg), Health (Stella Kyriakides – Cyprus), Transport (Rovana Plumb – Romania), Energy (Kadri Simson – Estonia), and Environment and Oceans (Virginijus Sinkevičius – Lithuania). Others, however, seem opaque or even controversial. For example, Margaritis Schinas (Greece) has the title 'Vice- President-designate for Protecting our European Way of Life' which seems to cover immigration issues.

Jutta Urpilainen (Finland) becomes Commissioner-designate for 'International Partnerships' and Dubravka Šuica (Croatia) becomes Commissioner-designate for 'Democracy and Demography'. There is an interesting new portfolio called Crisis Management to be held by Janez Lenarčič (Slovenia).

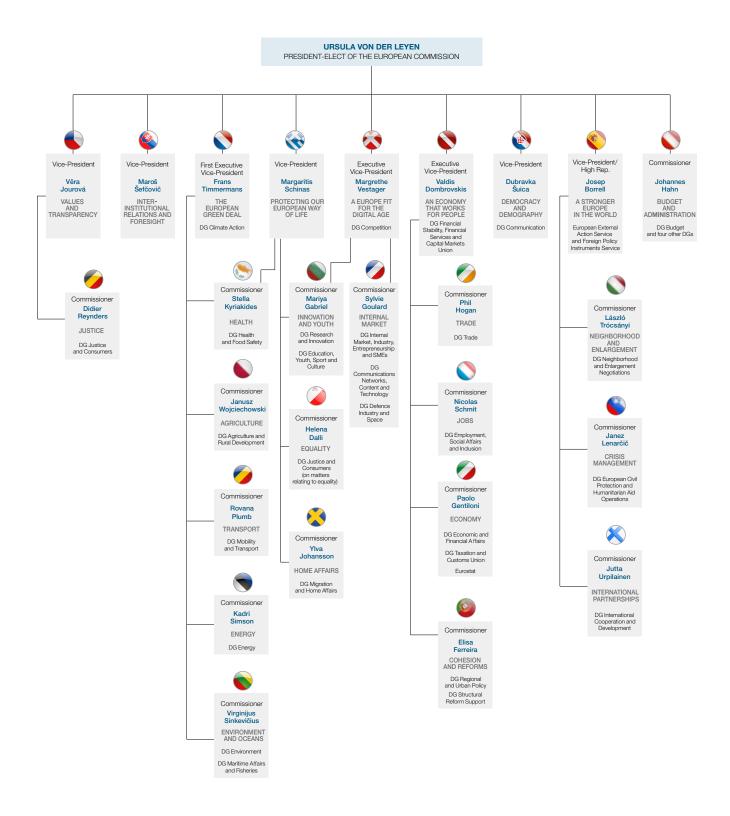
In allocating the portfolios, Ursula von der Leyen has made a great effort to achieve gender, geographic and political balance. The new Commission has 13 female Commissioners out of a total of 27. Each of the Executive Vice-Presidents comes from one of the main European party groupings: Vestager (Renew Europe), Dombrovskis (European People's Party) and Timmermans (Socialists and Democrats). Commissioners from Central and Eastern Europe hold important posts, thus meeting the concerns of the Visegrad group of countries that they risked being treated as second-tier Europeans.

It will be a hierarchical Commission with the Executive Vice-Presidents playing a major role chairing a group of Commissioners while managing a major policy area supported by the relevant Directorate-General. The Vice-Presidents are all meant to work closely with Josep Borrell (High Representative) with regard to external relations. The new President-elect says she wants this to be a 'Geopolitical Commission'.

The confirmation hearings before the Parliament will take place in the coming weeks. For some Commissioner-designates these will be controversial as they have been involved in alleged corruption or party funding offences and, in any event, one proposed Commissioner-designate usually gets rejected by Parliament. It therefore remains to be seen if the whole of the new Commission will make it to take up office on 1 November.

Michael Reynolds

The proposed new Commission structure



Biographies of the key new Commissioners-designate



Josep Borrell Fontelles
Spain
Vice-President, High Representative
A Stronger Europe in the World

Josep Borrell Fontelles, an engineer, is currently the Spanish Minister of Foreign Affairs, the EU and Cooperation. He is involved in national and political affairs as he held positions in the Spanish government and parliament and he was also President of the European Parliament from 2004 to 2007.



Valdis Dombrovskis Latvia Executive Vice-President An Economy that Works for People

A physics graduate, Valdis Dombrovskis was Finance Minister and subsequently Prime Minister of Latvia and a member of the Latvian Parliament before entering the European political world as an MEP. Since 2014, he has held several Commissioner portfolios including Euro, Financial Services and Capital Markets. Dombrovskis will likely be under pressure in his next term to push forward a new plan to finalise the banking union in Europe.



Paolo Gentiloni Italy Economy

Paolo Gentiloni is an Italian politician who is currently the President of the Democratic Party and was Italian Prime Minister from 2016 to 2018. As Italian Prime Minister, he promoted the implementation of several reforms including the advance healthcare directive and a new electoral law. His government also introduced stricter rules regarding immigration and social security, to counteract the European migration crisis.



Sylvie Goulard
France
Internal Market

Sylvie Goulard is Deputy-Governor of the Bank of France. Before holding this position, Goulard had been Minister of Defence and worked in several national and European institutions, including as MEP in the ALDE group. She was also a researcher at the International Research Centre and a Professor at the College of Europe.





Phil Hogan Ireland Trade

Phil Hogan, currently the Commissioner for Agriculture and Rural Development, was a Member of the Irish Parliament and Government where he was responsible for environmental policies. The appointment of Mr Hogan means he will be the EU's chief trade negotiator if and when free-trade negotiations commence between the EU and the United Kingdom after Brexit.



Vera Jourová
Czech Republic
Vice-President
Values and Transparency

Věra Jourová serves as the current Commissioner for Justice, Consumers and Gender Equality. Prior to being a Commissioner, she held several positions in the Czech government and worked in the private sector as a consultant.



Rovana Plumb Romania Transport

Rovana Plumb has been an MEP for the Socialists and Democrats party since 2019. She has held several positions in the Romanian government including the portfolio for European funds. She has a PhD in Management of Industrial Systems.



Didier Reynders Belgium Justice

A law graduate, Didier Reynders, member of Belgium's French-speaking liberal party, is currently Minister of Foreign and European Affairs, and of Defence. He served as minister for finance from 1999-2011.



Margaritis Schinas Greece Vice-President Protecting our European Way of Life

Margaritis Schinas has been serving as Chief Spokesman of the European Commission since 2014. A member of the New Democracy Party (part of the European People's Party), he previously was an MEP from 2007 to 2009. As Commissioner in this new portfolio, his mission will include finding common ground on migration and focusing on the development of a European Security Union.



Kadri Simson Estonia Energy

Kadri Simson, a member of the Riigikogu, is currently chair of the Estonian Centre Party faction and Leader of the Estonian NATO Parliamentary Assembly Delegation. As Estonia's Minister of Economic Affairs and Infrastructure, she previously managed the areas of the internal market, energy and transportation in the Council of the EU.



Virginijus Sinkevičius Lithuania Environment and Oceans

Virginjus Sinkevičius is a member of the Lithuanian Farmers and Greens Union party and has been minister of Economy and Innovation since 2017, entering politics in 2016. He studied in the Netherlands and the UK.



Dubravka Šuica Coatia Vice-President Democracy and Demography

Dubravka Šuica is an MEP and Head of the Croatian European People's Party delegation. A member of the centre-right Croatian Democratic Union (HDZ), she served two consecutive terms as mayor of Dubrovnik between 2001 and 2009.





Frans Timmermans
Netherlands
First Executive Vice-President
European Green Deal

Before becoming First Vice-President of the European Commission in 2014, Frans Timmermans, from the Dutch Labour Party, held several key positions in the Dutch government as Minister of Foreign Affairs and European Affairs. He was the candidate of the Party of European Socialist for President of the Commission in the European election of May 2019.



Margrethe Vestager
Denmark
Executive Vice-President
A Europe Fit for the Digital Age

Margrethe Vestager started her political career in Denmark serving as MP in the Danish Social Liberal Party and holding several ministerial positions including Minister for Economic Affairs and the Interior in 2011 before receiving the European Commission competition portfolio in 2014. During her last mandate as Competition Commissioner, Vestager spearheaded antitrust and state aid cases against the largest U.S. tech companies, leading to billions of euros in fines and spurring regulators across the globe to open their own inquiries.

"In allocating the portfolios, Ursula von der Leyen has made a great effort to achieve gender, geographic and political balance."



About Michael



Michael Reynolds Of Counsel Tel +32 2 780 29 50 michael.reynolds@allenovery.com

Michael is a well-known name in the global legal profession and the world of competition law. A founding member of our antitrust team, he set up our Brussels office in 1979 and is an important figure in the international antitrust community. He has worked for a wide range of high-profile European, Asian, U.S. and Latin American clients. Michael has been a key figure in the International Bar Association (IBA) since 1979 and was President of the IBA for the term 2013-2014. Prior to becoming President, he held a number of senior positions, including that of Chair of the IBA's Antitrust and Trade Law Committee, and is now an Advisory Board member of that committee.



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