



- SESSION I: THE FUTURE EUROPEAN UNION
- GENERAL PERSPECTIVES
- FEDERALISM OR NATIONAL SOVEREIGNTY

GENERAL PERSPECTIVES

The European Union faces common challenges, including a war in its neighbourhood, lagging behind global competitors, a fragile security situation, illegal migration, the vulnerability of international supply chains, natural disasters, the effects of climate change, and demographic trends. The Hungarian Presidency of the Council of the European Union in the second half of 2024 sought to respond to these challenges by initiating a new European competitiveness deal, strengthening European defence policy, promoting a consistent and meritbased enlargement policy, stemming illegal migration, discussing the future of cohesion policy, focusing on a farmer-oriented EU agricultural policy and addressing demographic challenges (Programme of the Hungarian Presidency of the Council of the European Union in the second half of 2024). The top priorities of the Polish Presidency in the first half of 2025 also include strengthening European defence and security, protecting people and borders, economic competitiveness and achieving a competitive and resilient agriculture.

Addressing these challenges does not, in itself, determine the future of the European Union. There should also be room for debate on compliance with the current treaty framework (preserving the sovereignty of the Member States and maintaining the existing balance between the competence of the institutions) and on views that seek to go beyond it and advocate federal structures (for an overview of these debates, see, inter alia, Fricz 2020; Kaiser 2024). The Conference on the Future of Europe also addressed issues related to this topic.

The European Union is a *sui generis* construct, with both federal elements of state organisation, which tend towards supranationality, and sovereign elements, which protect the autonomy of nations. Examples of federal elements include the two levels of government, the principle of the primacy of EU law, the division of powers between the national and the supranational levels, the extension of majority decision-making, and the decision-making through EU institutions in certain common policy areas (such as common trade or monetary policy) (Fekete 2012; 2017; Fricz 2020). Yet the EU is not a federation because of the strong inter-state elements, as the Member States have the final political decisionmaking power and certain key state competences are within the competencies of the Member States.

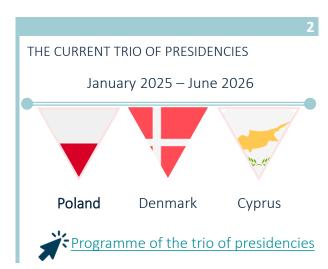
In spite of the existence of EU citizenship, the links between citizens and the EU are weak (demos without ethnos), and the spiritual, cultural and social conditions for central governance are missing (Fekete 2017; Fricz 2023; Juhász 2010; Marján–Boros 2017). The EU is not a state, but in legal terms a voluntary and discretionary association of legally sovereign states, with common political institutions at its centre (Chronowski–Petrétei <u>2020</u>; Eleftheriadis <u>2012</u>; Fricz 2020). While retaining their state characteristics, Member States exercise certain competencies jointly through the EU institutions, while competences not conferred remain with the Member States [TEU Article 5 (2)]. In the context of national sovereignty, the national identity (that is, contrary to some interpretations, not the narrower constitutional identity) of the Member States, which is an inherent part of the fundamental political and constitutional structure, is protected against EU decisions (TEU <u>Article 4 (2)</u>; Blutman <u>2017</u>; Stumpf <u>2020</u>).

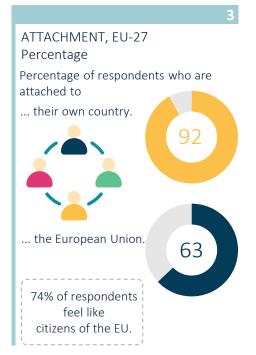
The constitutions of Member States may include differently worded enabling rules, for example on the primacy of the EU law. Some Member States retain the option of constitutional review of EU legal acts (e.g. Poland, Hungary, or Germany), while the constitutional practice of other countries does not allow that (e.g. Finland, the Netherlands, or Luxembourg) (Blutman 2017; 2022; Chronowski-Petrétei 2020). As regards the principle of the primacy of EU law, it is important to underline that this is not included in the Treaties. In its case law, the Court of Justice of the European Union (CJEU) has established the principle of the primacy of Community law, which is a fundamental principle of Community law (12008E/AFI/DCL/17). In recent years, the precedence of EU law has been challenged more seriously by certain national constitutional courts, replacing it with the principle of limited and conditional primacy (A9-0341/2023: Explanatory statement; Blutman 2022). The primacy of EU law is, therefore, limited, precisely because of the protection provided for the constitutional identity of the Member States (Trócsányi 2017). In addition, the case law of the CJEU has also developed several other EU legal principles over the decades; in particular, the direct application, the principles of direct applicability and the forms of transposition of EU law have been changed, together with the methods of law harmonisation (Kecskés 2020), all of which form part of the EU's acquis communautaire.

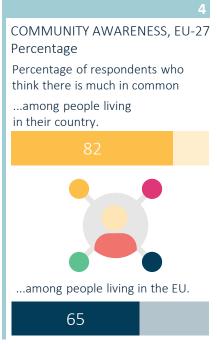






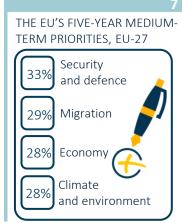




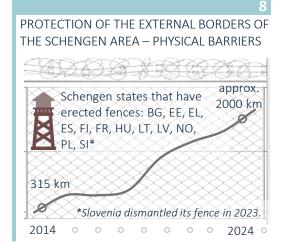








Figures 3–7: EU citizens' opinion based on Eurobarometer, Autumn 2024



SOURCES

1 Priorities of the Hungarian presidency (19 June 2024) | 2 Council Decision (EU) 2016/1316 | 3 | 4 | 5 | 6 | 7 European Commission (2024): Standard Eurobarometer 102 - Autumn 2024 (QC1.2, QC1.3, QC2.1, QC5.1, QC5.2, QC3ab, QB7ab, QB6ab) 8 Dumbrava (2022; 2024); raja.fi; SchengenVisaInfo.com (19/04/2023, 19/05/2023, 13/05/2024)