



CRT Briefing on the Reform Treaty – EU institutions

I. Introduction to the Coalition for Reform Treaty

The Coalition for the Reform Treaty (CRT) is a network of organisations and individuals advancing a positive view on the proposed EU Reform Treaty.

The principles of the CRT are as follows:

- The UK and its citizens derive significant benefit from membership of the EU.
- The EU's successful enlargements, which have increased membership from 15 in 2004 to 27 members today, necessitate reform of its institutions.
- The Reform Treaty is in Britain's interests as well as the European Union's because it will lead to more efficient, effective and democratic decision-making.
- Agreement and ratification of the Treaty by all 27 EU Member States will help the Union to focus on the issues that really matter: competitiveness, social and consumer policy, and the EU's role in tackling global challenges such as trade liberalisation and climate change.

The CRT has both individual supporters and member organisations. The member organisations of the CRT are as follows:

- All-party Group on Europe
- Business for New Europe
- Conservative Group for Europe
- Demos
- European League of Economic Cooperation
- European Movement
- Federal Union
- Foreign Policy Centre
- Global Policy Institute
- Jean Monnet Circle
- Jean Monnet Association
- Labour Movement for Europe
- Liberal Democrat European Group
- Policy Network
- Progress
- Weidenfeld Institute for Strategic Dialogue

II. The Lisbon Treaty's impact on the EU Institutions

Introduction:

The Lisbon Treaty seeks to enable the institutions of the EU work more efficiently and transparently. This note considers a number of the changes introduced by the Treaty with that goal in view. The Treaty provides a solid basis on which the UK and its partners can construct a modernised and streamlined EU.

1. Presidency of the European Council:

The proposed new position of President of the European Council will play an important role in the workings of the EU, both in representing the EU externally and in chairing the regular meetings of the Council. In recent years, as a result of the Union's enlargement, critics have argued that the its existing system of rotating presidencies is an inefficient way of the Council reaching its objectives. More continuity and personal authority is needed to carry out the role effectively.

The quasi-permanent Chairmanship of the European Council is the Lisbon Treaty's response to this criticism. The new President's tasks and powers will be those of the current Presidency of the European Council, held by member states. He will simply be able to exercise them for a longer period (two and a half years instead of 6 months). The President will be chosen by a qualified majority vote of the European Council, a system much more likely to elect an outstanding candidate than the present system of rotation.

2. The Council:

In the same way as the Lisbon Treaty seeks greater continuity for the work of the European Council by lengthening the term of office of its President, the Treaty also proposes to rationalise the work of the sectoral Councils, in which the Union's specialist ministers meet. In future, these Councils will be run by "team presidencies," in which three member states work together over a period of 18 months. This is a clear gain for the efficiency of the Councils, guaranteeing greater continuity and avoiding the unreasonable burden placed particularly on smaller countries by the present system of purely national presidencies.

The Lisbon Treaty will also introduce some limited extension of Qualified Majority Voting (QMV) within the Council. Some of the areas now to be subject to QMV are procedural in character, such as the appointment of the High Representative and the President of the European Council. Others relate to the Eurozone, of which the UK is not a member. Others again relate to the area of Justice and Home Affairs, which the UK will opt in on only on an ad hoc basis in future.

The impact on the UK of the extension of QMV envisaged by the Lisbon Treaty will be less significant than that of the Single European Act or the Treaty of Maastricht. It is worth stressing that even in matters theoretically susceptible to majority voting, the Council normally tries to proceed by consensus, particularly to meet the wishes of a large country such as the UK. The UK is therefore more likely to be the beneficiary of streamlined decision-making over time than its victim. Through giving up its formal veto, the UK also forces twenty six other member states to do likewise.

The re-weighted voting system of the Lisbon Treaty will be a clear improvement on that contained in the Nice Treaty, in that it will replace the laborious system of the “triple majority” with a less confusing “double majority,” based both on the number of states supporting a measure and the population of these states. The UK will specifically benefit from the changes. The Lisbon Treaty will take better account than the preceding Nice Treaty of the large population of the UK in establishing its voting weight within the Council of Ministers, which will increase from 8.4% to 12.2%. The new system will also increase the UK’s vote in the Council as a proportion of a blocking minority from 32% to 35%. The overall effect of the Treaty’s proposed changes in this area will make taking decisions easier and more comprehensible to outside observers.

3. The European Commission:

The reduction in the College of Commissioners’ numbers brought about by the Lisbon Treaty can only make for the greater efficiency of that body and a greater concentration on the essentials of its task. A Commission in which all 27 member states provided a Commissioner would always be an unwieldy body in present circumstances, let alone after future enlargements. The reduction of the number of Commissioners is unlikely to alter its institutional character. Commissioners are not delegates of the member states that have nominated them. There is no compelling institutional reason why every member state should be “represented” in every new College of Commissioners.

4. The European Parliament:

The extension of the co-decision procedure, by which the Council and the European Parliament are in effect co-legislators, will increase the influence of the European Parliament in a number of European policy areas. Democratically elected politicians will therefore come to play a larger role in a decision-making process traditionally dominated by civil servants, both national and international, and national ministers for whom European questions represented often only a small proportion of their responsibilities. The co-decision procedure is already well established in many areas of the Parliament’s work. The generalisation of the procedure will increase the consistency, simplicity and democratic accountability.

An important further provision of the Lisbon Treaty concerns the relationship between the European Parliament and the European Commission. According to the Treaty, future Presidents of the European Commission should be elected by the European Council in the light of the results of the European elections. If the next President of the European Commission were a candidate proposed and supported by the current majority in the European Parliament, then this would fundamentally change the relationship of accountability between Commission and Parliament. It would also change the nature of European elections, giving to electors a sense of personal choice and involvement in European decision-making. The apparent absence of political consequences following from European elections is certainly one reason why many electors doubt the European Parliament’s capacity to make the European Union more democratic in its structures.

5. National Parliaments:

In addition to enhancing the role of the European Parliament, the Lisbon Treaty will formally recognise the contribution of national parliaments to the European legislative procedure. National Parliaments will not have a right of veto on proposed European legislation, but the Treaty will allow them to voice their concern over proposals from the European Commission, particularly when questions of subsidiarity or proportionality are involved. If a sufficiently large number of parliaments make their discontent known, the Commission will be obliged to respond to their

criticisms. In the face of widespread criticism from national parliaments, it is highly unlikely that the national governments which depend on these parliaments would be willing to adopt the European legislation in question. The Lisbon Treaty is a welcome opportunity for national parliaments to review the specific role they can play in the future evolution of the European Union.

6. External policy and the High Representative:

The High Representative will be essentially a representative and advocate of policies established by national Foreign Ministers. While in a limited number of cases (essentially relating to human rights abuses and the provision of emergency aid) the ministers will decide by qualified majority voting, in the great majority of cases unanimity will continue to be the rule in regard to the Common Foreign and Security Policy (CFSP.)

Under the Lisbon Treaty, the Union's High Representative will act as chairman of the Foreign Affairs Council, will make proposals to the Foreign Affairs Council and direct the Union's external action service. In some circumstances, and with a right of veto accorded to all member states, the High Representative will also have the right to speak on behalf of the European Union in international fora such as the United Nations. These will be significant administrative changes, which are likely to help make more coherent and effective the external actions of the European Union. The "action service" established by the Lisbon Treaty in particular will provide administrative and analytical support for the High Representative, support greatly beyond that which Mr. Solana currently enjoys. The changes envisaged by the Lisbon Treaty in the area of the Union's external policies are changes designed to make the present system work more effectively rather than changes to the system itself.

7. Legal Personality:

The question of the legal personality of the European Union has both a practical and a symbolic aspect. Practically, the recognition of the Union's legal personality will put an end to the existing controversy about whether the Union may not already have this legal personality. Symbolically, legal personality for the European Union is seen by some of the Treaty's critics as creating a new (or consolidating an existing) state-like characteristic of the European Union. It should be pointed out that a number of international organisations, such as the UN, already enjoy legal personality without being states. A "state-like" characteristic for the European Union, or even a limited number of "state-like" characteristics, does not of itself come near to transforming the Union into a European "super-state."

8. Simplified Revision Procedure:

There is a widespread sense among politicians, officials and commentators that in recent years too much time has been devoted by the Union to the discussion of institutional matters. The simplified procedure for limited revision of the European treaties reflects this concern. If in future the member states decide unanimously that they wish to introduce qualified majority voting into stipulated policy areas now covered by unanimous voting procedures, they will be able to do so without convening a special intergovernmental conference. This unanimity on the part of member state governments will then need to be ratified by unanimity in the parliaments of the member states. This procedure will permit small and specific changes to the existing treaties in the light of future experience, without in any way limiting the right of veto on treaty changes currently enjoyed by the British government and parliament. This procedure does not in any way mean that the Lisbon Treaty will be self-amending!