



Reform Treaty - Good for Britain and Good for Europe (October 2007)

Why is this Treaty necessary?

The EU's successful enlargements, which have increased membership from 15 in 2004 to 27 members today, necessitate reform of its institutions. Enlargement has been one of the UK's key policy objectives, whether under the current Labour government or the previous Conservative government.

Is it good news?

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.

Isn't the Reform Treaty the same as the Constitutional Treaty?

There are many similarities in content between the two Treaties - it would be disingenuous to suggest otherwise. But there are also key differences. For example the constitutional concept has been abandoned. Crucially, the UK has a series of opt-outs on provisions like the Charter of Fundamental Rights, as well as crime and policing.

What should happen now?

We believe agreement and ratification of the Treaty by all 27 EU Member States will help the Union to focus on the issues that really matter: climate change, competitiveness, social, consumer policy and the EU's role in the world.

The Reform Treaty in More Detail:

1. The Treaty will make the EU function better, enabling it to address global challenges, such as economic competitiveness, energy security, climate change and counter-terrorism:

Ending the rotating Presidency of the Council

The 6 month Presidency of the Council may have worked in an EU of 12 or even 15, but is simply impractical in an EU of 27 members, which continues to expand. Establishing a permanent President with non-executive powers will ease the burden on smaller countries, and give the EU greater coordination.

A single foreign policy representative ("High Representative for foreign affairs")

Merging the two foreign affairs posts which exist at present will result in better coordination of the EU's external efforts, and end the nonsense of two top EU officials attending the same meeting. A single EU foreign representative will not supplant national foreign policy, but complement it, for example, in its dealings with Russia on energy issues, Africa on development or Iran on diplomatic affairs. A new EU External Action Service will provide support to the High Representative and streamline the EU's representation in the world. The changes will not mean a single foreign policy but greater effectiveness when there is a common foreign policy.

Reform to the voting system in the European Council

The introduction of "double majority" voting by 2017 will rebalance voting weights in the Council so that they are proportionate to population. According to the new rules, a measure can only be passed with 55% of member states representing 65% of the EU's population. This is in the interests of large countries such as the UK, which stands to increase its overall voting share by 45%. In addition, the change in the voting system is set to increase the UK's share of a blocking minority from 32% to 35%.

Greater role for national Parliaments

The Treaty will enable a group of national Parliaments to question a Commission proposal with a “yellow card” procedure. If a majority of national parliaments are opposed to an EU proposal, the Commission will either have to withdraw it or explain why it is necessary.

Commission streamlining and Parliament strengthened

- Extra powers of scrutiny for European Parliament, as well as national parliaments.
- Reduction in the size of the Commission.
- Capping the European Parliament at 750 members.
- Choice of the Commission President linked to the outcome of the European Parliament’s elections.

2. Moves to majority voting should not be feared but welcomed:

- EU Treaties, negotiated by British governments of both parties, transfer measures from unanimity to majority voting in areas where they are judged to be in the UK’s national interests. The Single European Act moved 12 articles to majority voting, Maastricht moved 32 articles and Nice moved 46 articles.
- In an enlarged EU of 27 members, maintaining unanimity in some areas, would threaten to bring EU decision-making to gridlock. If the UK has a veto, so do 26 other states.
- The Treaty moves approximately 50 articles to majority voting.
- Of the 50 measures, 13 will not automatically apply to the UK, including for example measures on the euro. Of the other measures, several are clearly in the UK’s interests – such as measures on energy liberalisation and the distribution of EU aid.

3. This is a tailor made Treaty for Britain.

- The effective opt-outs on the Charter of Fundamental Rights and on justice and home affairs measures mean that the Treaty is different for Britain, as compared with the 26 other member states.
- As Hans-Gert Poettering (President of the European Parliament) said: “The deal struck by Tony Blair in June means that - for better or for worse - much of its substance will not apply in Britain.”
- The Reform Treaty has been heavily influenced by British thinking, just as the Constitutional Treaty was (it was denounced by some during the 2005 French referendum campaign as the “British Treaty”).
- The RT focuses on policies which are also British priorities:
 - The environment objectives now include a specific mention on the fight against climate change.
 - Energy policy objectives include ensuring the market functions well, promoting renewables and a specific clause referring to “the spirit of solidarity.”
- The concern about the Charter of Fundamental Rights from the business community and others has been addressed by a UK-specific legally-binding Protocol. This clarifies that the Charter will not extend the power of any court, nor create any new justiciable rights in the UK.
- The British government has been clear that the Treaty should not cross any of its four “red lines” - on labour and social legislation, on the criminal justice system, on an independent defence and foreign policy and on the tax and benefits system.