



THE COUNCIL OF THE EUROPEAN UNION

Together with the European Parliament, the Council is the institution that adopts EU legislation through regulations and directives and prepares decisions and non-binding recommendations. In its areas of competence, it takes its decisions by a simple majority, a qualified majority or unanimously according to the legal basis of the act requiring its approval.

LEGAL BASIS

In the European Union's single institutional framework, the Council exercises the powers conferred on it under Article 16 of the Treaty on European Union (TEU) and Articles 237 to 243 of the Treaty on the Functioning of the European Union (TFEU).

ROLE

A. Legislation

On the basis of proposals submitted by the Commission, the Council adopts EU legislation in the form of regulations and directives, either jointly with Parliament in accordance with Article 294 TFEU (ordinary legislative procedure) or alone, following consultation of Parliament (1.2.3). The Council also adopts individual decisions and non-binding recommendations (Article 288 TFEU) and issues resolutions. The Council and Parliament establish the general rules governing the exercise of the implementing powers conferred on the Commission or reserved to the Council itself (Article 291(3) TFEU).

B. Budget

The Council is one of the two arms of the budgetary authority, the other being Parliament, which adopts the European Union's budget (1.2.5). The Council also adopts, pursuant to a special legislative procedure and acting unanimously, decisions laying down the provisions applying to the EU's own resources system and the Multiannual Financial Framework (Articles 311 and 312 TFEU). In the latter case, Parliament must give its consent by a majority of its Members. The most recent Multiannual Financial Framework (2014–2020) was adopted by Parliament in November 2013. The Council shares Section II of the European Union's budget with the European Council (Article 43(b) of the Financial Regulation), though they are separate institutions.



C. Other powers

1. International agreements

The Council concludes the European Union's international agreements, which are negotiated by the Commission and in most cases require Parliament's assent (Article 218(6) TFEU).

2. Appointments

The Council, acting by qualified majority (since the Treaty of Nice), appoints the Members of the Court of Auditors, the European Economic and Social Committee and the Committee of the Regions.

3. Economic policy

The Council coordinates the economic policies of the Member States (Article 121 TFEU) and, without prejudice to the powers of the European Central Bank, takes political decisions in the monetary field. Special rules apply for the members of the Eurogroup, who elect a president for a two-and-a-half-year term (Articles 136 and 137 TFEU). Usually, the finance ministers of the Eurogroup meet one day before the meeting of the Economic and Financial Affairs Council.

The Council also carries out a number of economic governance functions in the context of the European Semester. At the start of the cycle, in autumn, it considers the specific recommendations for the euro area on the basis of the annual growth survey; and then in June and July it adopts the country-specific recommendations after they have been endorsed by the European Council.

Article 136 TFEU was amended by European Council Decision 2011/199/EU and entered into force on 1 May 2013, following ratification by all the Member States. It now provides the legal basis for stability mechanisms such as the ESM ([2.6.8](#)).

4. Common foreign and security policy ([5.1.1](#)) and ([5.1.2](#))

The Treaty of Lisbon gave legal personality to the European Union, which replaced the European Community. The new Treaty also abolished the three-pillar structure. Justice and home affairs became a fully integrated EU policy area, in which the ordinary legislative procedure applies in almost all cases. However, in foreign and security policy the Council still acts under special rules when it adopts common positions and joint actions or draws up conventions.

The former troika arrangement has been replaced by a new system: chaired on a permanent basis by the High Representative of the Union for Foreign Affairs and Security Policy, the Foreign Affairs Council now collaborates closely with the Commission. It is assisted by the Council's General Secretariat and by the European External Action Service.



ORGANISATION

A. Membership

1. Members

The Council consists of a representative of each Member State at ministerial level, who 'may commit the government of the Member State in question' (Article 16(2) TEU).

2. Presidency

With the exception of the Foreign Affairs Council, the Council is chaired by the representative of the Member State that holds the European Union's presidency: this changes every six months, in the order decided by the Council acting unanimously (Article 16(9) TEU). The presidency of all Council formations except foreign affairs is held by pre-established groups of three Member States for periods of 18 months, with each member chairing the Council for six months.

The order of presidencies for the next five years is as follows: Finland for the second half of 2019, Croatia and Germany in 2020, Portugal and Slovenia in 2021, France and the Czech Republic in 2022, and Sweden and Spain in 2023. The European Council can change the order (Article 236(b) TFEU).

3. Preparatory bodies

A committee consisting of the permanent representatives of the Member States prepares the Council's work and carries out the tasks which the Council assigns to it (Article 240 TFEU). This committee, known as Coreper, is chaired by a representative of the Member State chairing the General Affairs Council, i.e. the rotating presidency. However, the Political and Security Committee, which monitors the international situation in areas covered by the common foreign and security policy, is chaired by a representative of the High Representative of the Union for Foreign Affairs and Security Policy.

Coreper meets every week to prepare the work of the Council and coordinate activities relating to codecision with the European Parliament. It is divided into two groups: Coreper I, comprising the deputy permanent representatives, prepares work in the more technical areas, including agriculture, employment, education and the environment; Coreper II addresses matters falling more within the field of 'high politics', in particular foreign, economic and monetary affairs and justice and home affairs. Coreper is assisted in its preparatory work by some ten committees and around a hundred specialised working parties.

B. Operation

Depending on the area concerned, the Council takes its decisions by a simple majority, a qualified majority or unanimously (1.2.3.) and (1.2.4). When the Council acts in a legislative capacity, its meetings are open to the public (Article 16(8) TEU). The Secretary-General of the Council is appointed by the Council pursuant to Article 240 TFEU. Council meetings are held in Brussels, but also in Luxembourg (sessions in April, June and October). At present there are 10 Council configurations, three of which



meet regularly (General Affairs, Foreign Affairs, and Economic and Financial Affairs (Ecofin)).

1. Simple majority

This means that a decision is deemed to have been taken when there are more votes for than against. Each member of the Council has one vote. The simple majority rule is applicable when the Treaty does not provide otherwise (Article 238(1) TFEU). It is thus the default decision-making process. In practice, however, it applies only to a small number of decisions: internal Council rules, the organisation of the Council's General Secretariat, and rules governing committees provided for in the Treaty.

2. Qualified majority

a. Mechanism

In many cases the Treaty stipulates that decisions must be taken by a qualified majority (QMV), which requires more votes than a simple majority of votes. In such cases there is no longer equality of voting rights. Each country has a certain number of votes in line with its population (Article 205(2) TEC and, from November 2014, Article 238 TFEU). A reweighted voting system was introduced on 1 January 2007, with a qualified majority being achieved if a decision obtained at least 260 votes out of a total of 352 (73.86%), was approved by a majority of Member States representing at least 62% of the Union's population (verification that this latter criterion had been met had to be requested by a Member State).

The Treaty of Lisbon discarded the system of weighted votes in favour of a simple double-majority rule: 55% of the members of the Council (72% if the proposal does not come from the Commission or the High Representative), comprising at least 16 of them (or 21 in the absence of an initiative by the Commission or the High Representative) and representing at least 65% of the Union's population. The new system has been applicable since 1 November 2014.

b. Scope

The Treaty of Lisbon again extended the scope of decision-making by QMV. For 68 legal bases it either introduced or extended QMV, mostly in conjunction with the introduction of the ordinary legislative procedure (including many former third-pillar areas). QMV also applies in the appointment of the President and Members of the Commission and the Members of the Court of Auditors, the European Economic and Social Committee and the Committee of the Regions ([1.2.3](#) and [1.2.4](#)).

3. Unanimity

Unanimity is only required by the Treaty for decisions in a few areas, which are, however, among the most important (taxation, social policy, etc.). This was maintained by the Treaty of Lisbon. However, Article 48(7) TEU provides a bridging clause which enables the Council to adopt decisions on certain subjects by a qualified majority instead of unanimity. Moreover, for certain policies the Council may decide (unanimously) to extend the use of QMV (e.g. Article 81(3) TFEU on family law with cross-border implications).



In general, the Council tends to seek unanimity even when it is not required to do so. This preference dates back to the 1966 Luxembourg Compromise, which ended a dispute between France and the other Member States, in which France had refused to move from unanimity to QMV in certain areas. The text of the compromise read: 'Where, in the case of decisions which may be taken by a majority vote on a proposal from the Commission, very important interests of one or more partners are at stake, the Members of the Council will endeavour, within a reasonable time, to reach solutions which can be adopted by all the Members of the Council while respecting their mutual interests and those of the Community'.

A similar solution was found in 1994 when the Ioannina Compromise was reached to protect Member States which were close to constituting a blocking minority. Under this arrangement, if the countries in question stated their intention to oppose the taking of a decision by the Council by qualified majority, the Council would do everything in its power to reach a solution acceptable to a large majority of states within a reasonable period of time.

More recently, the possibility of postponing the introduction of the new double-majority system from 2014 to 31 March 2017 was a step in the same direction and made it possible, at the request of a Member State, for the old qualified majority rule set out in the Treaty of Nice to be applied ([1.2.3](#)).

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