

# The European Parliament: An explainer

## SUMMARY

This briefing, published by the European Parliament Liaison Office in Washington DC and the European Parliamentary Research Service, is designed to provide a straightforward and accessible explanation of the European Parliament – its composition, role and responsibilities – primarily for an American audience. The briefing has two goals: first, to demystify the European Parliament and demonstrate that, in many respects, it has more in common with the U.S. House of Representatives than one might imagine; and second, to explain, and use examples to illustrate, the Parliament's role in the EU-U.S. relationship.



The European Parliament's main chamber, in Strasbourg, France.

### In this Briefing

- Introduction
- What is the EP? How does it fit into the EU's political system?
- What powers does the EP have?
- How is the EP organized?
- Who controls a Parliament with seven different political groups?
- What role does the EP play in U.S.-EU relations?

European Parliament Liaison Office in Washington DC

Produced by EPRS | European Parliamentary Research Service

Authors: Piotr Bakowski and Matthew Parry

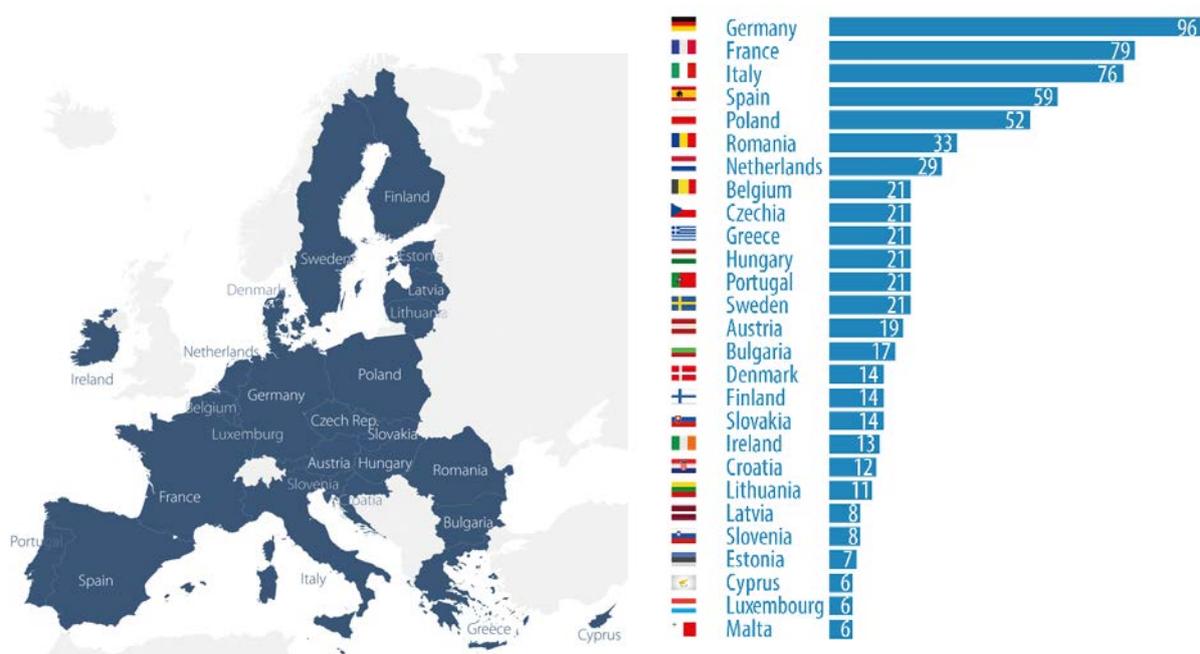
PE 637.936 – September 2020

## Introduction

The [EU's system](#) of government and the European Parliament are unique. The EU is not a single country with a single army, foreign policy or commander-in-chief, but it does have many of the features of statehood, acting as one where its member states have pooled sovereignty in the areas of trade, economic and monetary policy, and the environment. This means that the EU is among other things a regulatory power whose decisions affect its partners around the world.

The European Union is also a work in progress. Over the years, successive amendments to the EU's founding treaties have given the EP more powers, placing it on an equal footing with the Council of national government ministers in amending and adopting EU legislation. For this reason, in order to understand an emerging EU position on many transatlantic issues, it makes sense to look at the positions of both the EU's national governments and the European Parliament.

**Left: the European Union's 27 member states; right: number of seats allocated to each member state in the European Parliament.**



**Note:** On January 31, 2020, the United Kingdom left the European Union. Of the 73 seats occupied by departing Members of the European Parliament from the United Kingdom, 27 were redistributed to other member states. The remainder have been held in reserve for possible future accessions to the Union.

## What is the EP? How does it fit into the EU's political system?

One way of understanding the European Parliament in the European Union's political system is by comparing it with the U.S. House of Representatives. Like the House, the EP is essentially one chamber of a de facto bicameral legislature, the other being the Council of the EU (Council), which represents the EU's national governments. Together, the EP and the Council have the power to amend, adopt or reject legislation proposed by the European Commission. The EP is thus one of the EU's three law-making institutions.

The EP is the world's only directly elected transnational parliament. It represents the EU's roughly 450 million citizens, and is composed of individual Members elected in EU-wide direct elections, held every five years at the same time throughout the EU; most recently in [May 2019](#). The Council represents the EU's member states, and is made up of national government ministers who meet in different configurations depending on the policy area under discussion. The European Commission

is the EU's executive and the 'guardian of the Treaties'. Soon after the EP elections, national government leaders put forward a candidate for Commission president, for election by the European Parliament. This means there is a closer link in the EU between the legislature and the executive than is the case in the U.S.

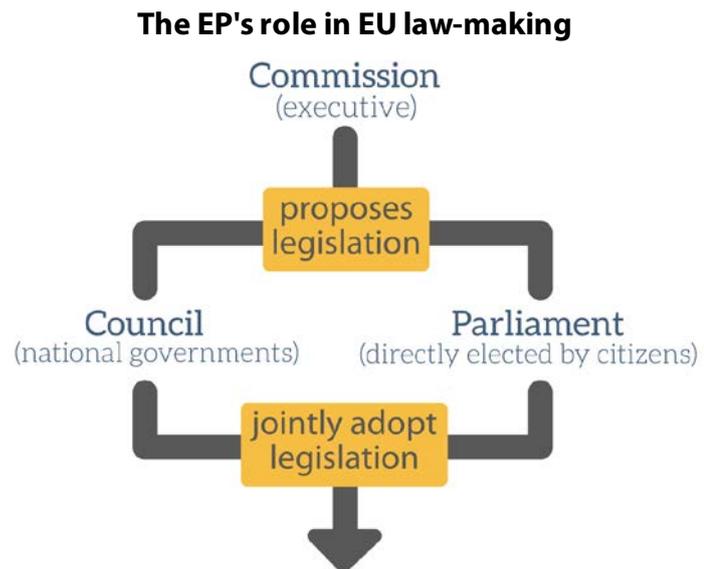
Unlike Congress, the EP and the Council cannot author new bills: the Commission is the only EU body with the 'right of initiative', meaning that it alone can propose bills for approval, amendment or rejection by Parliament and Council. However, both Parliament and Council can formally request that the Commission propose new legislation, and such a request can carry significant political weight. Indeed, shortly before her election by the EP as Commission president in July 2019, Ursula von der Leyen told the Parliament that she supported a right of initiative for the EP, and that her Commission would 'respond with a legislative [bill]' to any formal EP request for a new law. This was [understood](#) by Parliament as an informal step toward greater legislative autonomy, and part of the platform on which Parliament elected her.

The EU has characteristics that set it apart both from other international organizations and from states. Government is split between levels, with national governments having retained substantial power and the treaties setting limits on how far the European level can go. So, while the EU has comprehensive and state-like powers in some areas, such as trade policy or competition rules in the EU's internal market, it shares power with national governments in many other fields. In yet others, national governments retain full control.

It is not uncommon for EU citizens to compare the European Parliament to their national parliaments, and to dismiss it as the weaker assembly. This reflects an incomplete understanding of the Parliament's powers, which have strengthened considerably as a result of recent EU treaty changes.

## What powers does the EP have?

In the first decades of European integration (early 1950s to the mid-1980s), the Parliament was a consultative body, with no legislative powers and no influence on the appointment of the executive. However, the EP has consistently called for a stronger role for itself, especially after the advent of direct elections in 1979, arguing that its lack of influence deepened a 'democratic deficit' in European level decision-making. Although concerns about a democratic deficit persist, today the EP's powers include adopting most EU legislation and the EU's annual budget on an equal footing with the Council; as well as approving and scrutinizing the European Commission. Successive EU treaty changes have recast the relationship between the EU and its member states, and between the Parliament, the Council and the Commission. This occurred most recently with the Lisbon Treaty, which came into effect in 2009.



Source: European Parliamentary Research Service.

The EP now co-decides with Council on legislation governing the EU's internal market; aspects of employment and social affairs; regional development; agriculture; fisheries; the environment; consumer protection; transport; energy; cross-border judicial and police cooperation; public health; research and space policy; and development cooperation and humanitarian aid. Joint adoption of EU law by the EP and Council (the 'ordinary legislative procedure') is now the rule, with the member states in the Council casting weighted votes according to their population size. However, some areas, such as foreign policy and taxation, are considered so sensitive that the member states have retained a national veto, and have agreed at best merely to consult the EP.

One important area where the EP does not have the same powers as the House of Representatives is in taxation. Whereas Congress is said to have the "[power of the purse](#)", i.e. the ability to draw up budgets from scratch, raise taxes directly, and borrow to finance spending that exceeds revenue, the EP cannot raise taxes directly from EU citizens. The EU relies instead on direct contributions from EU member states' national governments, and on other sources of revenue that derive from EU core competences. Nor can the EU borrow to cover spending – the EU budget must always be in balance. Moreover, the EU budget amounts to little more than 1 % of the EU's GDP (i.e. the combined GDP of its member states), which is considerably smaller in proportional terms than the U.S. federal budget, and smaller still than the average EU national government's budget, which typically amounts to almost half of national GDP. The main reason for this discrepancy is that traditionally the largest items of public expenditure – defense, pensions, health care and social security – are covered almost exclusively by member states' national budgets, not by the EU budget.

The EP also has a limited formal role in foreign policy and trade. The EU's foreign policy is subject to unanimous decisions by national governments in the Council, while the Commission manages day-to-day trade policy. Nevertheless, Parliament's consent is required for any new treaty between the EU and another party, including accession treaties, and association and free trade agreements negotiated by the Commission. For example, in 2010, the EP withheld its consent to an interim EU-U.S. agreement on banking data transfers via the SWIFT network, citing concerns about privacy, proportionality and reciprocity. And Parliament adopts jointly with the Council the EU's annual budget, part of which is spent on foreign policy objectives, such as development aid.

Parliament's positions can also be important for foreign companies operating in the EU's common market. The EP does not refrain from expressing its views on such companies' conduct, as illustrated by the criticism Facebook CEO Mark Zuckerberg faced when testifying before the EP's political leadership, or by the EP joining forces with the Commission and the Council to request exemptions from Facebook's policy on cross-border political advertising in the run-up to the 2019 European elections.

#### ***The EP can***

- elect the Commission president, and approve or dismiss the Commission as a whole
- amend, reject or adopt legislation proposed by the Commission in most EU policy fields
- amend, reject or adopt the annual budget drawn up by the Commission
- give or withhold consent to international agreements and accession treaties

#### ***The EP cannot***

- independently propose new laws
- raise taxes directly
- exceed spending limits decided by EU national governments
- decide the EU's foreign policy

Another set of EP prerogatives concerns scrutiny of the Commission. The Commission must report to both Parliament and the Council, and the Commission president now delivers an annual [State of the Union address](#) to Parliament every September, in a recently established convention modelled closely on the U.S. example. The EP can submit oral and written questions to the Commission and the Council, and can set up [temporary committees](#) to investigate alleged contraventions of EU law (recent examples include the committees on emission measurements in the automotive sector, and on money laundering, tax avoidance and tax evasion) or maladministration, or to look at specific issues, such as the three committees set up in June 2020 on artificial intelligence; foreign interference in all democratic processes in the EU, including disinformation; and beating cancer. These special committees have a 12-month mandate, which may be extended. Contrary to U.S. Congressional committees, the EP committees have no subpoena powers.

**Facebook CEO Mark Zuckerberg arrives to testify before the EP's political group leaders and Committee on Civil Liberties, Justice and Home Affairs, May 22, 2018.**



Source: European Parliament Multimedia Centre.

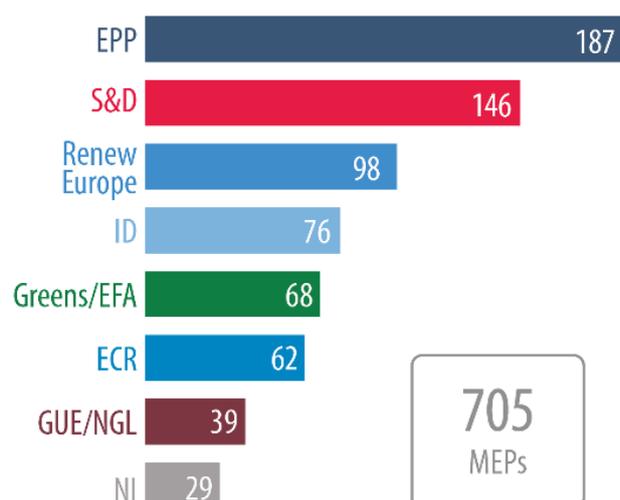
The EP acquired the power to approve the European Commission president under the 1997 Amsterdam Treaty (and with the 2009 Lisbon Treaty the power to elect that president), on the basis of a proposal by national leaders in the European Council. It has since sought to leverage this power to gain greater political influence over the Commission's legislative agenda, and even to impose its own choice of nominee, by threatening to reject the Council candidate. The latter tactic has had mixed success, but Parliament's approval cannot be taken for granted; in July 2019, Ursula von der Leyen won a mere nine more votes than the 374-member majority needed to become Commission president, out of 733 votes cast. National governments also propose individual Commissioners, who are analogous to cabinet secretaries in the U.S. system, and the EP holds confirmation hearings for candidates before voting on whether to approve the "College of Commissioners" as a whole.

**Ursula von der Leyen, after the European Parliament voted narrowly to elect her as President of the European Commission, July 16, 2019.**



Source: European Parliament Multimedia Centre.

Hearings of individual Commissioners-designate are organized by the Parliament committee(s) whose remit best matches the respective Commissioner-designate's portfolio, a practice that took inspiration from hearings of administration nominees in the U.S. Senate. Moreover, just as the EP must vote to confirm the Commission as a whole, it can also vote on a "motion of censure" against the Commission (again only as a body) – essentially a statement that it has lost confidence in the executive. If passed by a two-thirds majority, the Commission falls. Parliament has never adopted such a motion, but in 1999, the Commission of President Jacques Santer chose to resign in anticipation of such a vote.

**Strength of the political groups in the current EP**

**EPP:** Group of the European People's Party

**S&D:** Group of the Progressive Alliance of Socialists and Democrats in the European Parliament

**Renew Europe:** Renew Europe Group

**Greens/EFA:** Group of the Greens/European Free Alliance

**ID:** Identity and Democracy Group

**ECR:** European Conservatives and Reformists Group

**GUE/NGL:** Confederal Group of the European United Left – Nordic Green Left

**NI:** *Non-inscrits*, members not attached to any political group.

Source: European Parliamentary Research Service.

Beyond its formal powers as a co-legislator, the EP also expresses its views on issues on which it has no formal competence, but where its position as the EU's only directly elected institution can shape the policy debate at EU level. This is often the case with foreign policy matters, for example.

One indication of the EP's importance in EU decision-making is the amount of attention it receives from lobbyists, who are seldom far from committee meetings and key votes. New rules concerning copyright in the EU's digital single market that were under consideration by the EP and the Council in late 2018 and early 2019 attracted the [attention](#) of technology companies and artists from around the world. This reflects the importance of the EU market to international businesses, and the EP's role in deciding the rules that govern that market. The EP has been [negotiating](#) with the Commission and the Council on how to enhance the transparency of all three institutions' interactions with lobbyists, on the basis of the existing EU Transparency Register, but with the EP adopting higher standards unilaterally. On January 31, 2019, the European Parliament [voted](#) to amend its

rules of procedure, so that rapporteurs for a bill, as well as chairs of the committee of jurisdiction, must publish online records of their meetings with registered lobbyists.

## How is the EP organized?

The EP's official seat is in Strasbourg, France, where 12 monthly whole-of-Parliament "plenary" part-sessions (a series of debates and floor votes scheduled over four days from Monday to Thursday) must be held, but for the rest of each month its Members meet in Brussels, Belgium, where the Council and the Commission are also based. Meetings of the Parliament's [political groups](#) (see below) and committees mostly take place in Brussels. This is where most of the legislative work is done, including drafting amendments and negotiating compromise texts with the Council, before it is brought to the floor of Parliament in a plenary session. In addition, many of the EP's administrative staff are based in Luxembourg.

The current Parliament consists of 705 seats, having [shrunk](#) from 751 following the departure from the EU of the United Kingdom on January 31, 2020. Members (MEPs) are elected for a five-year term, which means that they do not need to campaign for re-election on a permanent basis. MEPs can work in any of the EU's 24 official languages: according to the EP's rules of procedure "all documents of Parliament shall be drawn up in the official languages" and "all Members shall have the right to speak in Parliament in the official language of their choice". Accordingly, interpreters and translators account for about one third of EP staff. The reason for the multiplicity of official languages is that citizens throughout the EU need to be able to understand and follow the legislative process.

Candidates from hundreds of national political parties contest the EU elections, but, once elected, most MEPs join one of only a handful of transnational political groups in the European Parliament organized by political affiliation. In other words, political parties from different EU countries can be

said to “caucus together” as pan-European political groups in the EP. There are currently seven such groups in the Parliament, which broadly correspond to the parties prevalent in EU countries, such as center-right conservatives or Christian democrats; and center-left social democrats. Certain political groups have existed since the Parliament's first direct elections in 1979, others were formed as recently as 2019, while others still have come and gone in that time. The older political groups tend to belong to formal, European-level political parties, with an organizational structure outside Parliament. Other groups are alliances of various national political parties and independent MEPs, and affiliate formally only within Parliament. At least 25 Members are needed to form a political group, from at least seven member states. Political groups in the Parliament are entitled to funding to support their Members' work. Such funding, as well as committee roles and plenary session speaking time, are allocated in proportion to the strength of groups' membership, thus giving MEPs a strong incentive to organize themselves in this way.

Members sit on 20 committees and three subcommittees, as well as on 44 delegations of various kinds. The [Delegation for relations with the United States of America](#) currently comprises 63 MEPs. Whereas the number of committees and subcommittees is much smaller in the EP than in the U.S. Congress (even if EP committees tend to be bigger than their Congressional counterparts, in order to maintain a balance of member states and political groups), in both institutions most substantial work is done in committees. As Woodrow Wilson once put it, “it is not far from the truth to say that Congress in session is Congress on public exhibition, whilst Congress in its committee rooms is Congress at work”. The same holds true for the EP, whose committees have extensive formal powers and expertise, and can rely on more staff and resources than the committees in most EU national parliaments.

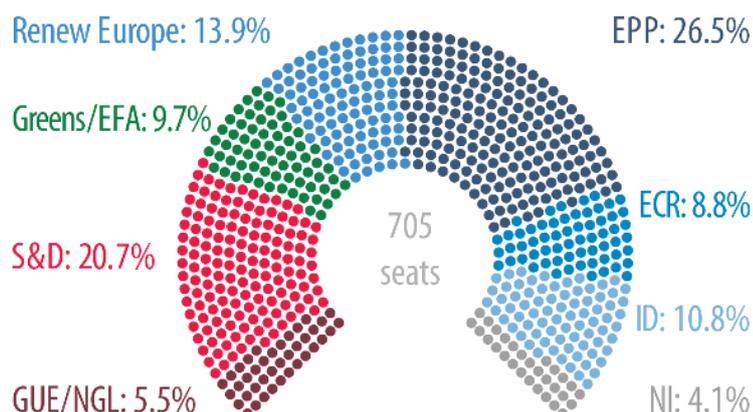
Finally, the EP has a “president”, currently the Italian S&D MEP David-Maria Sassoli. His role is somewhat analogous to the representational (rather than party political) aspects of the role played by the House Speaker in the U.S. The EP president's job is to chair EP plenary sessions, as well as meetings of the political group leaders (referred to as the “Conference of Presidents”), who collectively decide Parliament's political agenda. The President can be seen as the “face” of the EP, representing the institution at high-level meetings with the Council and the Commission or with interlocutors in the member states and abroad. However, he does not have the same agenda-setting power that the House Speaker has: in the EP, the positions of president and political group leader are separate, and multiple groups are needed to build majorities, so the Parliament president is in a different position to that of the leader of a single-party majority in the House.

## Who controls a Parliament with seven different political groups?

One point of difference between the EP and the U.S. House of Representatives is the number of parties represented. No single political group commands an absolute majority, which means the groups have to decide collectively on the leadership of committees and who will serve as EP President, using a system that weights the groups according to their size. A further point of difference between the EP and the House is the type of issue that divides MEPs ideologically, beginning with the extent to which being for or against the Union is an existential issue in the EP, in a way that is not the case in Congress.

## The European Parliament's multi-party system

Multi-party assemblies are not unusual in Europe. Legislatures at national and local level comprising more than two parties are the norm in EU countries, most of whose electoral systems are based on proportional representation. This means that in many European assemblies, more than one party is typically needed to form a majority to pass legislation. The EP is no exception. Even in the U.S., it could be argued that the many factions and caucuses contained within the Democratic and Republican parties, especially in the House of Representatives, represent a comparable level of ideological diversity. Just as members of Congress could be placed on a scale stretching from left to right, so too can the seven political groups in the European Parliament.

**EP political groups as they sit in the chamber**

Source: European Parliamentary Research Service.

A single left-to-right axis is, however, only one way of classifying the parties. Another, arguably more illustrative, approach might be to consider the Parliament's political groups in terms of two axes: one for economic policy, and another for social questions, on either of which groups may tend to be more or less laissez-faire or interventionist, or liberal or conservative, respectively. This may help to dispel confusion about the meaning of the political label "liberal", for example, which can be understood differently in the U.S. than in Europe, and even within Europe.

Beyond the classification of political groups on left or right axes, there is a more fundamental question of a political group's stance on the European project itself, in other words, whether they see European integration as a "solution" or a "problem". This is a simplification: not all "euroskeptic" parties oppose the idea of European integration or want the EU to disintegrate; they may only want to reverse or stall European integration in some areas, such as the governance of the single currency (the euro), currently used by 19 member states. Similarly, not all parties that belong to the mainstream or centrist political groups may be consistently enthusiastic about greater European integration, instead preferring the status quo, or a return of power to the national level in some areas.

Nevertheless, for all the diversity within each group, the Parliament can be meaningfully divided into broadly euroskeptic and broadly pro-EU groups, with the latter constituting well over two thirds of the chamber. This divide is important because it shapes the debate between politicians in favor of greater national sovereignty and those in favor of pooled sovereignty via multilateral institutions, a debate that has clear echoes in the U.S. In the 2014-2019 European Parliament, the largest pro-EU groups, the EPP and the S&D, sometimes supported by other groups, were able to form a broadly pro-European working majority on many issues. In the current Parliament, at least three political groups are needed to form a majority.

Within the EP's broadly pro-EU majority, there are ideological differences that mirror those between Democrats and Republicans in the U.S., and within those parties in Congress. Even if the EP does not have the ability to raise or cut taxes on EU citizens, it still has to take a stand on legislation that effectively opens or restricts foreign companies' access to the EU market; increases or reduces regulatory costs for businesses; strengthens or weakens worker and consumer protections and civil liberties; or lifts or lowers the EU's ambition to tackle environmental degradation and climate change. These divisions are best understood by studying the EP political groups' stances on legislation on a case-by-case basis.

## What role does the EP play in EU-U.S. relations?

The European Parliament plays at least two roles in EU-U.S. relations. First, Members of the EP are interlocutors for U.S. legislators, policy-makers, businesses and civil society, given that as legislators they deal with many of the same issues facing decision-makers in the U.S. The relationship between the EP and Congress dates back to the 1970s, but it was formalized in 1999 with the launch of the [Transatlantic Legislators' Dialogue](#) (TLD) forum, which is co-chaired by a Member of Congress

(currently Rep. Jim Costa, D CA-16) and the chairman of the EP Delegation for relations with the United States of America (currently Radosław Sikorski, EPP Poland). Two TLD meetings take place each year, alternately in Europe and the U.S., supplemented by other meetings and videoconferences on specific issues. Much of the legislation passed by the EP or by Congress has a bearing on EU-U.S. relations, whether directly or indirectly, intentionally or otherwise. For that reason, the transatlantic dialogue is about much more than foreign policy and trade alone.

Second, as the only directly elected EU institution, and as co-legislator with the Council in deciding most EU rules, the EP votes on EU laws that set the standard for businesses operating in the EU market, including U.S. businesses. In the areas of data flows and data protection, EU norms co-decided by Parliament affect major U.S. companies exporting to, investing in or operating within, the EU. The EP also expresses its views on topical EU-U.S. issues in resolutions adopted in plenary sessions. In the fields of human rights, defense, national security, trade and the international economy, the Parliament has adopted [clear positions](#) on the state of EU-U.S. relations, and has used its legislative powers to defend European interests as it defines them. Examples of the EP's stance on selected transatlantic issues are provided below.

## The EP and the EU-U.S. defense relationship

Even though the EU does provide for some defense policy coordination via a "common security and defense policy", the EU does not have a single military, nor can it declare war on a country, at least not without the unanimous consent of the national governments of all of its member states. Sensitive decisions about financing and deploying national armed forces on non-civilian missions remain the prerogative of member states, most of which are members of the North Atlantic Treaty Organization (NATO), together with the United States. The EP has [called](#) for greater European defense integration in a way that is compatible with NATO. The EU is now taking steps toward better integrating its defense industry to achieve economies of scale and to foster cross-border collaborative innovation – something the Parliament has [supported](#), including by adopting the legislation required for European collaboration on defense research. The EP also [supports](#) Commission plans to appropriate EU transport funds to support "[military mobility](#)", or the ability of member states to move military assets across the continent more quickly.

## The EP and the EU-U.S. trade relationship

The European Commission is responsible for negotiating trade agreements with non-EU countries, in line with a mandate signed off by the Council. Both Parliament and Council must ratify any new EU trade agreement, including any FTA that might be negotiated between the EU and the U.S. The EP has expressed [support](#) for the July 2018 statement agreed between President Trump and then-Commission President Juncker to de-escalate trade tensions by working toward a bilateral trade agreement of zero tariffs on industrial goods, and to enhance regulatory cooperation in areas such as pharmaceuticals, medical devices, and cybersecurity. The EP has also [expressed](#) support for reform of the World Trade Organization (WTO), while defending the principle of multilateralism and rules-based trade.

## The EP and the fight against climate change

The EU is a signatory to the United Nations Framework Convention on Climate Change and the Paris Agreement, a commitment the European Parliament [approved](#) in October 2016. President Trump has since declared his intention to withdraw the US from the Paris Agreement. The EP has [stated](#) that it 'regrets' the US withdrawal. In the previous legislative term (2014-2019), the EU revised its domestic legislation in order to fulfil its commitment under the Paris Agreement to cut its greenhouse gas emissions by 40% by 2030. In the current term (2019-2024), the Commission proposes to further raise the 2030 target, and has put forward a comprehensive European Green Deal designed to make Europe the first climate-neutral continent by 2050, safeguard biodiversity, establish a circular economy and eliminate pollution, strengthen the competitiveness of EU

industry, and ensure a just transition for regions and workers currently dependent on carbon-intensive industry. The Parliament, which will co-decide on the legislation underpinning the European Green Deal, has [welcomed](#) the proposal, having consistently [pushed](#) in the past for greater EU ambition to combat climate change. On November 28, 2019, the Parliament passed a [resolution](#) declaring a “climate emergency” and calling on the Commission, EU national governments and international partners to act now “before it is too late.”

## The EP and the digital economy

The emergence of the digital economy as a field of commercial and social innovation has brought with it new business, political and social opportunities, while also raising difficult questions for policy-makers on both sides of the Atlantic concerning privacy, civil liberties, election integrity and security, taxation and more. Important parts of the legislation governing this area are decided at European level, by Parliament and Council. Two high-profile examples are the EU's [General Data Protection Regulation](#) and the [Cybersecurity Act](#), which Parliament adopted in April 2016 and March 2019 respectively. The EU and the US Department of Commerce have created a "Privacy Shield" for companies operating across the Atlantic, to facilitate compliance with data protection requirements when transferring personal data between the two jurisdictions. Privacy Shield was introduced after its predecessor, "Safe Harbor", was ruled invalid by the Court of Justice of the EU, and in July 2020 the Court invalidated a previous decision on the adequacy of Privacy Shield. The Parliament has repeatedly expressed concerns over the adequacy of Privacy Shield, and in the past has [called](#) on the Commission to suspend it.

### MAIN REFERENCES

[European Union institutions and bodies](#), Fact Sheets on the EU, European Parliament.

[European Parliament: Facts and Figures](#), Briefing, G. Sabbati, EPRS, European Parliament, 2019.

The European Parliament, 9th edition, R. Corbett, F. Jacobs, D. Neville, John Harper Publishing, 2016.

[Understanding the European Parliament from a Federalist Perspective: The Legislatures of the USA and EU Compared](#), A. Kreppel, 2006.

[The U.S. Congress and the European Parliament: Evolving Transatlantic Legislative Cooperation](#), Congressional Research Service (CRS), December 30, 2010 – July 29, 2013.

[Transatlantic Relations: U.S. Interests and Key Issues](#), Congressional Research Service (CRS), May 31, 2019

### DISCLAIMER AND COPYRIGHT

The content of this document is the sole responsibility of its author(s) and any opinions expressed herein should not be taken to represent an official position of the Parliament.

Reproduction and translation for non-commercial purposes are authorized, provided the source is acknowledged and the European Parliament is given prior notice and sent a copy.

© European Union, 2020.

Photo credits: © European Union – EP.

[epwashington@europarl.europa.eu](mailto:epwashington@europarl.europa.eu) (contact)

<https://www.europarl.europa.eu/unitedstates/en/> (internet)

[www.europarl.europa.eu/thinktank](http://www.europarl.europa.eu/thinktank) (internet)

<http://epthinktank.eu> (blog)

