

Committee on Constitutional Affairs

BACKGROUND NOTE

Interparliamentary Committee Meeting *

THE FUTURE OF EUROPE: PERSPECTIVES ON THE EUROPEAN PARLIAMENT'S PROPOSALS AND THE COMMISSION WHITE PAPER

Wednesday, 11 October 2017, 15.00 – 18.30

European Parliament, Brussels József Antall building, room 6Q2

The European Union is facing major challenges, such as the refugee crisis, foreign policy challenges, notably in the immediate neighbouring countries, the fight against terrorism, globalisation, climate change, the aftermath of the financial and economic crisis and the social impact thereof in the Member States. These issues cannot be tackled by Member States individually but need a collective response by the Union.

In this context the Committee on Constitutional Affairs prepared two reports (see below) on the Future of the Union, in a two-step approach, looking at the current and future constitutional framework of the European Union.

The draft reports were discussed during the Interparliamentary Committee Meetings (ICMs) that took place on 19 November 2015 and on 29 November 2016. They were adopted in the Committee on Constitutional Affairs on 8 December 2016 and the resolutions were subsequently adopted in plenary on 16 February 2017.

Improving the functioning of the European Union building on the potential of the Lisbon¹ Co-Rapporteurs: Mercedes Bresso (S&D), Elmar Brok (EPP)

More than seven years after its entry into force, the provisions of the Lisbon Treaty have not been exploited to their full potential. In their report the rapporteurs examined the yet unused possibilities offered by the Lisbon Treaty to tackle the challenges that the Union is currently facing, by adapting its institutional structure, enhancing its democratic accountability, deepening the Economic and

¹ P8_TA(2017)0049

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Monetary Union, completing the Internal Market and furthering joint efforts in the fields of External Action and Justice and Home Affairs.

The resolution touches upon a wide range of issues such as:

- the benefits of the Community method over intergovernmental decision-making and possibilities offered by the Treaties, in particular by the different 'passerelle clauses';
- the role and competences of the different EU institutions and bodies and national parliaments and how decision-making processes and cooperation can be rendered more democratic, effective and transparent;
- the process of electing the Commission President;
- further reform to the institutional structure of the EMU, enhancing its democratic legitimacy, as well as recalling Parliament's proposals for the adoption of a convergence code to create a more effective framework for economic policy coordination and mentioning also the need for the establishment of a fiscal capacity for the eurozone, (which has been the subject of a specific EP resolution on a budgetary capacity for the eurozone);
- possibilities to increase the effectiveness, coherence and accountability of the Common Foreign and Security Policy, notably through the use of the provisions that allow for decisionmaking in Council by qualified majority voting;
- progressive steps to be taken towards a common defence policy and eventually a common defence, pointing inter alia to the provisions on Permanent Structured Cooperation, the setting up of a permanent civilian and military headquarters and the need for a comprehensive EU-NATO political and military partnership; and
- strengthening cooperation in the fight against terrorism, notably though a structured exchange of information, and in asylum and immigration policy.

Possible evolutions and adjustments of the current institutional set-up of the European Union¹ Rapporteur: Guy Verhofstadt (ALDE)

In this resolution Parliament underlined that the various crises have "demonstrated the Union's incapacity to respond effectively and quickly". Parliament stated that "it is now time for a profound reflection on how to address the shortcomings of the governance of the European Union by undertaking a comprehensive, in-depth review of the Lisbon Treaty", while considering that "short and medium term solutions can be realised by exploiting the existing Treaties to their full potential in the meantime". It underlined in that context that "a comprehensive democratic reform of the Treaties must be achieved through a reflection on the future of the EU and an agreement on a vision for present and future generations of European citizens, leading to a Convention that guarantees inclusiveness through its composition of representatives of national parliaments, governments of all the Member States, the Commission, the European Parliament and EU consultative bodies such as the Committee of the Regions and the European Economic and Social Committee, and also provides the proper platform for such reflection and engagement with European citizens and civil society"

The resolution makes proposals for a reform to the current EU legal setting, focusing, inter alia, on the following issues:

- ending "Europe a la carte" (touching upon "variable geometry") and the development and definition of a partnership to set up a ring of partners around the EU for states who cannot or will not join the Union but nevertheless want a close relationship with the EU;
- the withdrawal of the UK from the European Union;
- a new economic governance for economic growth, social cohesion and financial stability (touching upon a convergence code, a fiscal capacity, the Fiscal Compact, the ESM, a treasury, an EU Finance Minister, the role of the ECB);
- new challenges in the field of energy, migration, terrorism;
- strengthening Foreign Policy (an EU Foreign Minister, CFSP, European Defence Union);

¹ P8 TA(2017)0048

- safeguarding Fundamental Rights;
- more democracy, transparency and accountability (Commission size, lead candidates to become President of the European executive, European party lists, reallocation of seats, a Council of the States, the composition of Council configurations, Eurozone arrangements, the role of national parliaments, the right of legislative initiative, the EU budget and budget control, Parliament's Right of Inquiry, the treaty ratification procedure); and
- constituent process (treaty amendment, convention).

On 1 March the Commission presented a <u>White Paper on the Future of Europe</u> as its contribution to the Rome summit to celebrate the 60th anniversary of the Treaties of Rome. In this paper, the Commission outlines different scenarios for the state of the Union by 2025: carrying on; nothing but the single market; those who want to do more; doing less more efficiently; and doing much more together.

This White paper was followed by a series of **reflection papers** on: the social dimension of Europe; harnessing globalisation; deepening the Economic and Monetary Union; the future of European defence; and the future of EU finances.

Meanwhile, at the occasion of the celebration of the 60th anniversary of the Treaties of Rome, on 25 March 2017, the Heads of State or Government of 27 Member States, the President of the EP and the President of the Commission signed the <u>Rome Declaration</u>.

Some weeks ago, on 13 September, the President of the Commission exposed his views on the future of the Union (the "sixth scenario") during his **speech on the 2017** State of the Union before the EP, presenting also the initiatives that the Commission intends to take in 2018 - some of them with a 2025 perspective - as outlined in the letter of intent addressed to the EP and the Council, as well as an agenda on a broader reform of the Union in the form of a "road map for a more united, stronger and more democratic Union" running from September 2017 until the European Parliament elections in 2019.

National parliaments have also contributed actively to the debate on the Future of Europe. <u>The Declaration 'Greater European Integration: The Way Forward'</u> by the Presidents of the Camera dei Deputati of Italy, the Assemblée nationale of France, the Bundestag of Germany and the Chambre des Députés of Luxembourg, signed on 14 September 2015 and endorsed by several national parliamentary chambers in the EU, deserves particular mention in this context.

The Committee on Constitutional Affairs is currently drafting a series of working documents on the Future of Europe as a follow-up to its reports, the Commission White Paper, the subsequent reflection papers and the 2017 State of the Union proposals. These working documents will contain first (a) an overview of Parliament's proposals in relation to the Commission White Paper and related proposals and (b) some observations and avenues to be further explored. They will then be presented to the Committee in the course of October or November for an exchange of views. After these exchanges of views, the documents will be updated with (c) a summary of discussions.

The Interparliamentary Committee Meeting offers an excellent opportunity to continue discussions between parliaments and provide input for the further reflections of the Committee on Constitutional Affairs on the Future of Europe.

Annex: Further reading

Commission documents

- White paper on the Future of Europe http://bit.ly/2nedaug
- Reflection Paper on The Social Dimension of Europe http://bit.ly/2xdFOiD
- Reflection Paper on Harnessing Globalisation http://bit.ly/2xVBeJE
- Reflection Paper on The Deepening of the Economic and Monetary Union http://bit.ly/2flxocJ
- Reflection Paper on The Future of European Defence http://bit.ly/2qW8F99
- Reflection Paper on The Future of European Finances http://bit.ly/2tl4Hei
- President Jean-Claude Juncker's State of the Union Address 2017 http://bit.ly/2h3ngf9

National parliaments reasoned opinions

- Final statement Czech Senate http://bit.ly/2yFpR6a
- Final opinion Romanian Chamber of Deputies http://bit.ly/2yG6cmD
- Scrutiny status of National Parliaments http://bit.ly/2xdKVzl

EPRS

- Briefing on the Reflection paper on the social dimension of the EU http://bit.ly/2yWuuJM
- Briefing on the Reflection paper on harnessing globalisation http://bit.ly/2xVOOfU
- Briefing on Deepening EMU and fiscal union: Risk sharing versus risk reduction http://bit.ly/2fNmaYb
- Briefing on European defence A year on from the global strategy http://bit.ly/2kjBuxa
- At a glance The Future of EU finances http://bit.ly/2yG8WjV
- Briefing on The 2017 State of the Union debate in the European Parliament http://bit.ly/2xY25or

EP Plenary debates

- EU defence plan and the future of Europe (topical debate 4 July 2017) http://bit.ly/2xYSQ7V
- Reflection paper on the future of EU finances by 2025 (debate 4 July 2017) http://bit.ly/2yXfjAm
- Reflection paper on the deepening of the EMU by 2025 (debate 13 June 2017) http://bit.ly/2yGkyDl
- Harnessing globalisation by 2025 (debate 16 May 2017) http://bit.ly/2yGkyDl
- Decision adopted on the European Pillar of Social Rights and work-life balance initiative (debate - 26 April 2017) - http://bit.ly/2xgJi91