NOTES

PUBLIC HEARING ON THE

Relations between the European Parliament and the European Commission:

Parliamentarism or Presidentialism?

Hearing on the relations between the European Parliament and the European Commission after Lisbon in the context of the Mep Paulo Rangel own-initiative report on implementation of the Treaty of Lisbon with respect to the European Parliament

20 January 2014, from 3.00 pm to 6.30 pm

Brussels – Room: ASP 5G3
Monday afternoon 20 January, the AFCO Committee organised a public hearing on the Relations between the European Parliament and the European Commission, chaired by President Carlo Casini, in the context of the own-initiative report on implementation of the Treaty of Lisbon with the respect to the European Parliament (Rapporteur Paulo Rangel).

The interventions were organised in two panels followed by a debate at the end of each of them. The main question whether the European Union is becoming more Parliamentary or Presidential in style was introduced by President Casini; he also reminded that the discussion was only in the framework and focused on the relations between the European Parliament and the European Commission.

At the very beginning the Rapporteur aimed to draw the attention on the main purposes of the own-initiative report. The first one is to interpret and create a kind of a "doctrine" of the Parliament as to the interpretation of the different articles of the Lisbon Treaty. He pointed out that the aim is not only to make a diagnosis of the situation, but also to prepare the entry of the new Commission defining the "doctrine" the European Parliament should have and support during the negotiations that will occur with the Council in the months after the elections in May.

The second one is to address some controversial and technical issues that affect the inter-institutional relations: in this sense, for example, an update of the Better law making agreement should be needed. Then, there is the need for a focus on the international dimension of the Lisbon Treaty, trying to define the different roles of each institution. Reinforcing the accountability and the legitimacy of the EU institutions should not be considered as a reduction in the autonomy of each institution. This is the reason why there is the need to be cautious when trying to shape the relations between the European Commission and the European Parliament. Rapporteur Rangel addressed the ideological pattern of separation of power as the cornerstone principle of each democratic system.

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**In the first panel**

the democratic legitimacy of the next European Commission linked with incoming European Elections was addressed.

The keynote speaker, António Vitorino, Former Member of the European Commission, President of Notre Europe - Jacques Delors Institute, recognised how challenging the topic is.
Firstly he made a preliminary point about the general nature of differentiation and its institutional impact. He does believe that in the future the key feature for the institutional development of the European Union is the principle that Jacques Delors called *Differentiation*. He believes that the Eurozone has the vocation to become the core of a deep political and economic integration, following the logic of a kind of enhanced cooperation. In this light the challenge is to ensure the integrity of the European Union in the development of its economic and monetary policies. Certainly, while deepening the economic and monetary Union, more tensions or conflicts will be raised between the 28 MEMBER STATES and the States belonging to the Eurozone.

He believes that putting the integrity of the EU institutions at the centre would help to handle these potential tensions, taking into account some core elements: the importance not to create other institutions beyond the existing ones, while some adaptations should be introduced in the existing institutions, like the creation of a subcommittee of Economic and monetary Union affairs in the ECFIN and ECON committee in the European Parliament. But it is also important to create a political dialogue in this sense with the reference to article 13 of the Fiscal compact.

After this key introduction, he then tackled three main issues:

1. **The political legitimacy of the Commission**

With the new upcoming election a new model to designate the Commission will be inaugurated, and the election of the next President of the European Commission by the European Parliament as established in the Lisbon Treaty [art. 17, (7) TUE] will happen, taking into account the results of the European election. He then focused on the possible scenarios around negotiations for the nominee to the commission.

2. **The political role and efficiency of the Commission**

He pointed out that the political strength of the European Commission, for its functioning, has always been the link to the principle of collegiality. However, the size, the internal organisation of the Commission, and the political style of key stakeholders have been weakening this principle of collegiality.

He addressed the issue concerning the debate about reducing or increasing the size of the Commission. There are good arguments in favour for both a larger and a smaller one. It is difficult to find the optimum solution and there is a need to make a political choice. The Treaty of Lisbon made the choice in favour of reduction of the number of the Commissioners but in practice the next Commission is likely to have a commissioner per Member State. He suggested that two innovations should be introduced in the functioning of the Commission.

The first one is to create a set of clusters of commissioners and the leadership and the guidance of the vice-presidents of the Commission could enhance the collegiality on a daily basis. There are already similar clusters for matters of foreign policy, trade, development, enlargement, neighbourhood, humanitarian aid, and three other clusters should be created such as the one on the internal market, the economic and financial affairs and citizenship. The reason is that the dynamic of the clusters could help to reinforce the political cohesion of the Commission.
Finally he stressed the importance to enhance the role of the President of the Commission: the 28 Member States should give him more margin of manoeuvre, and the right balance should be found.

3. **The relation between the two institutions as far as legislative powers are concerned**

He stressed the importance of the cooperation and balance among the EU Institutions. The Treaty of Lisbon has created a bi-cameral system, putting the European Parliament and the Council on an equal foot. The experience has shown that this approach is the right one and it is efficient as well. He believes that the marginal loss of power of the Commission on this topic is the natural consequence of the maturity of this bicameral system that exists in the European Union. He deems important to keep the right of the initiative at the Commission level, along with a better and clear definition of the division of powers should be addressed, like criteria to define the respective competencies in terms of delegated and implementing acts.

The debate showed the importance of the next European elections to fill the gap between the citizens and EU Institutions. Moreover some challenging issues where raised like the ones concerning the sensitive difficulty to talk about democracy when the EU demos is quite weak.

Finally the role of national parliaments was stressed and the importance of more presence of commission at national level to reinforce the relationship with national parliaments, also with efficient communication tools.

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**In the second panel**

the Committee heard:

**Jens Nymand Christensen**, *Director in the Secretariat General, European Commission*

Firstly he pointed out that the scene we see today has been largely affected by the fact that the implementation of the Lisbon Treaty has been challenged by the big economic crisis. A crisis that could have undermined the whole architecture of the Union and the stability of all the Member States, even States outside the Eurozone. In this situation, even if it might be true that European Council has played a disproportioned role, Chistensen's main focus was not about the legitimacy of the system, but the importance of a coordinated economic and monetary policy of the 28 MS. In this light he emphasized the subsequent need to establish a legal framework able from one side to handle this kind of situations in the future, and to the other side to enhance cooperation in order to ensure greater stability.

Then he noticed the importance of the principle of subsidiarity and the role of the national parliaments as key actors in the implementation of the EU laws, mentioning the yellow card procedure and the European Public Prosecutor. He also stressed the fact that we are dealing with territories where national parliaments have a central role on this, this is the
reason why it is important to strengthen the relation between national parliaments and EU institutions, and make them more involved.

Moreover he recognised that the increased power of the EP, now a key player in the majority of the EU policies, even if it has not always used all of its powers, like the one linked to the conclusion of international agreements. Director Christensen also challenged the common view which considers that because there is an increasing power of the European Parliament and the institutionalisation of the Council, there is then a shift in balance in the EU institutions. He doesn't think so and he provided another reading. We are not in fact dealing with a cake, where who is going to take the larger slice is leaving the others with a smaller portion. In fact the Treaty of Lisbon acknowledges and reinforces the competencies of the European Commission, like its monopoly role of initiative and its executive power, and the power to adopt non-essential parts of legislation. In this light the Commission should be seen not only an initiator of the procedure but also a facilitator in finding agreements among parties in trialogues, for example, always able to come up with alternatives, compromise amendments, etc, contributing to lead the process to the result. In this light, he finally underlined that the community method has proved to be best solution.

Steven Blockmans, Senior Research Fellow and Head of the EU Foreign Policy Unit at the Centre for European Policy Studies

Blockmans focused his intervention from the perspective of legitimacy. He believes that the implementation of the Lisbon Treaty provisions, with increasing differentiated integration and other institutional developments resulting from the management of the Euro crisis, have re-opened old questions and new challenges to the democratic legitimacy of the EU system. He considered these issues in terms of participation, political accountability and institutional balance by looking at the powers attributed to and used by the European Commission and the European Parliament in the three main phases of the EU decision-making process: initiation, negotiation and adoption, and implementation.

Concerning the initiation phase, he stressed the initiative role of the European Commission, especially when the ‘Community method’ applies, the non-legislative role of the European Council and the involvement of national parliaments through the early warning system. Concerning the negotiation and adoption phase, he considered the increasing role of the EP in the legislative process, the growing salience of the European Council along with the increasing differentiation. Finally, as far as it regards the implementation stage, he took into account the implementation and supervision of the new fiscal and macroeconomic rules and the bank supervision and resolution powers.

In light of this, he believes that the existing institutional balance has been affected by a growing role of the European Council in the EU decision-making process, whereas the implementing and supervisory powers of some EU institutions like the Commission and the ECB have increased considerably. The democratic legitimacy thereof, both at EU and national level, has not moved in synch and would need to be upgraded in the near future.
Roderick Parkes, Programme Coordinator at the Polish Institute for International Affairs

Parkes provided the perspective from the point of view of the New Central-Eastern European Member State, expressing his discomfort about the manner how the European integration is presently moving forward.

He didn't think that it is possible to provide the answer to the question whether the European Union is moving towards more democratic achievements just answering to the two questions. He believed that three questions should be addressed, as three different angles of the democratic legitimacy issue. First, the new member states are facing the problem of interest representation, basically due to the main cleavages between large and small Member States, and between the rich and the poor ones. In this view, how supernational institutions can address these cleavages? Secondly, to what degree the two institutions allow the central European and new member states to affect the EU law? Thirdly, in an international dimension, to what extent the two institutions develop the democratic values of the European Union internationally?

For all three questions, he expressed the great disappointment that exists among the new member states on how things have been played out in the new member states after the entry into force of the Lisbon Treaty. For example, there is disappointment in the way in which the two institutions, the European Commission and the European Parliament have dealt with the economic crisis. Outside the Treaty framework, what does cooperation mean?

Moreover he also considers that the implementation issues will be key; as to the international dimension he underlines the need for more political coordination, with a reference to the actual Ukraine case.

In conclusion, he believes that the new member States had only been partially admitted, since they are kept out from the most inaccessible decision making circles.

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Conclusion

In conclusion of the meeting, Prof. Ingolf Pernice, Humboldt University, Berlin, presented a synthesis focusing on democracy as the central concept of European integration and the role of Members of Parliament as representatives of all EU citizens. He raised the question how the citizens’ will could be translated best into democratic actions at EU level.

In particular, he introduced the concept of subsidiarity in the debate, and he showed its direct relation to the principle of democracy.

The fundamental basis under this principle of subsidiarity is that if we take decisions from a democratic point of view at the European level, there must be some justification behind that. The power that is supposed to be translated at the EU level is something that doesn't exist at the national level. In fact it has been given to the EU because the national level is not able to deal with it. In this light National parliaments cannot deplore the reduction in
competencies, simply because this power doesn't exist. This is the core meaning of subsidiarity: action at the EU level is necessary because national level is not able to do that, then we can have democracy at the EU level.

According to Pernice the key debate about democracy should be done considering three levels of translation: first how it is possible to translate what the citizens would like and they want in the will of the European Parliament, and then translate this will from the European Parliament to the Commission, and then from the Commission to the European Council.

In the case of EMU, it is clear that the competencies remain mainly at the national level. The solution given by the European Council in time of economic crisis has been "more cooperation". Pernice was wondering if that can be the solution. The solution to maintain peace in Europe was possible not through cooperation but with supranational actions. That was the solution and it works. Now we have a new problem, that is the problem that the system for economic and financial policies doesn't work and the answer they are providing is more cooperation. His conclusion is that we need the community method. Cooperation means that governments need our trust. But citizens do not trust their governments.

Concerning the direct election of the President of the Commission, he thinks it will be weakening the EP, and it will create concerns, not to mention that it is not the right moment to put this issue on the agenda.

In the debate that followed, the need of a strategic thinking within the European Commission and the need for increased contributions by National Parliaments to the European integration were stressed.

Finally, in his closing remarks rapporteur Paulo Rangel suggested that instead of raising issues of a democratic deficit at EU level the member states should rather consider the EU institutional framework as a model for their governance.
*** Final programme ***

15h  Welcome speech and opening remarks by the Chairman, MEP Carlo Casini

15h05  Panel I - Lisbon Treaty state of play

15h05  Theme introduction / debate moderation MEP Paulo Rangel (Group of the European People's Party AFCO Member and author of the own-initiative report on implementation of the Treaty of Lisbon with respect to the European Parliament)

15h10  Keynote speaker: António Vitorino, President of Notre Europe - Jacques Delors Institute and former European Commissioner

15h30  Round table with the coordinators of all the political groups

16h  Debate

16h30  Panel II - Has the crisis endangered the European Union democratic achievements?

   a) has the Commission more or less power after the Lisbon Treaty?
   b) has the European Parliament been able to use its new powers?

16h30  Speaker 2: Jens Nymand Christensen, Director in the Secretariat General, European Commission,

16h45  Speaker 3: Steven Blockmans, Senior Research Fellow and Head of the EU Foreign Policy Unit at the Centre for European Policy Studies – CEPS

17h00  Speaker 4: Roderick Parkes, Programme Coordinator at the Polish Institute for International Affairs - PISM

17h15  Debate

18h00  Conclusions

   Keynote speaker: Prof. Dr. Ingolf Pernice, Humboldt University, Berlin

18h20  Closing remarks by the Rapporteur, MEP Paulo Rangel