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THE EUROPEAN COUNCIL

The European Council, formed by the heads of state or government of the Member States, provides the necessary impetus for the development of the European Union and sets out the general political guidelines. The Commission President is also a non-voting member. The President of the European Parliament addresses the European Council at the beginning of its meetings. The Lisbon Treaty established the European Council as an institution of the Union and endowed it with a long-term presidency.

LEGAL BASIS

Articles 13, 15, 26, 27 and 42(2) of the Treaty on European Union (TEU).

HISTORY

The European Council is now the summit conference of heads of state or government of the EU Member States. The first of these 'European summits' took place in Paris in 1961 and they have become more frequent since 1969.

In the Paris European summit of February 1974, it was decided that these meetings of heads of state or government should henceforth be held on a regular basis under the name of 'European Council', which would be able to adopt a general approach to the problems of European integration and ensure that EU activities were properly coordinated.

The <u>Single European Act</u> (1986) included the European Council in the body of the Community Treaties for the first time, defining its composition and providing for biannual meetings.

The <u>Treaty of Maastricht</u> (1992) formalised its role in the EU's institutional process.

The Treaty of Lisbon (formally known as the Treaty on European Union, 2009) made the European Council a full institution of the EU (Article 13) and defined its tasks, which are to 'provide the Union with the necessary impetus for its development and define the general political directions and priorities thereof' (Article 15). The European Council and the Council of the European Union (hereinafter 'the Council') have agreed to share section II of the EU budget (Article 43(b) of the Financial Regulation), which is why the general budget only has 10 sections and not 11, although the European Council and the Council are separate institutions.



ORGANISATION

Convened by its president, the European Council brings together the heads of state or government of the 27 Member States and the President of the Commission (Article 15(2) TEU). The High Representative of the Union for Foreign Affairs and Security Policy takes part in its work. The President of the European Parliament is usually invited to speak at the beginning of the meeting (Article 235(2) of the Treaty on the Functioning of the European Union (TFEU)).

The president is elected by the European Council itself for a two-and-a-half-year term that may be renewed once and represents the EU to the outside world. The President's role is set out in Article 15 TEU. The current President Charles Michel started his first term on 1 December 2019 and was re-elected in March 2022 for a second term from 1 June 2022 to 30 November 2024.

The European Council usually decides on issues by consensus, but a number of important appointments are made by qualified majority (in particular that of its own president, the choice of candidate for the post of President of the European Commission, and the appointment of the High Representative of the Union for Foreign Affairs and Security Policy and the President of the European Central Bank).

The European Council normally meets at least four times a year. Since 2008, it has met more often, in particular during the financial crisis and the subsequent euro area debt crisis. Lately, migration flows to the EU and internal security issues have also greatly occupied the European Council.

In 2016, the heads of state and government started to meet in an 'EU-27' format, without the United Kingdom (UK). These meetings were at first informal, prior to the UK's formal notification of withdrawal from the EU under Article 50 TEU in March 2017. After the notification, several formal 'European Council (Article 50)' meetings of the EU-27 took place alongside regular meetings.

In addition, the European Council members meet in the format of 'intergovernmental conferences' (IGCs): these conferences of representatives of the governments of the Member States are convened to discuss and agree on EU treaty changes. Before the Lisbon Treaty came into force in 2009, this was the only procedure for treaty revision. It is now called the 'ordinary revision procedure'. The IGC, convened by the President of the European Council, decides on treaty changes unanimously.

ROLE

A. Place in the EU's institutional system

Under Article 13 TEU, the European Council forms part of the 'single institutional framework' of the Union. However, its role is to provide a general political impetus rather than act as a decision-making body in the legal sense. It takes decisions with legal consequences for the EU only in exceptional cases (see point C (2) below), but has acquired a number of institutional decision-taking powers. The European Council is now authorised to adopt binding acts, which may be challenged before the Court of Justice of the European Union, including for failure to act (Article 265 TFEU).



Article 7(2) TEU gives the European Council the power to initiate the procedure suspending the rights of a Member State as a result of a serious breach of the EU's principles, subject to the consent of Parliament.

B. Relations with the other institutions

The European Council takes decisions with complete independence and in most cases does not require a Commission initiative or the involvement of Parliament.

However, the Lisbon Treaty maintains an organisational link with the Commission, since its president is a non-voting member of the European Council, and the High Representative of the Union for Foreign Affairs and Security Policy attends the debates. Moreover, the European Council often asks the Commission to submit reports in preparation for its meetings. Article 15(6)(d) TEU requires the President of the European Council to submit a report to Parliament after each of its meetings. The President of the European Council also meets the President of Parliament, as well as leaders of political groups, on a monthly basis. In February 2011, the president at the time agreed to answer written questions from MEPs concerning his political activities. However, Parliament is also able to exercise some informal influence through the presence of its President at European Council meetings and pre-European Council meetings of the party leaders in their respective European political families, as well as through the resolutions it adopts on items on the agenda for meetings, on the outcome of meetings and on the formal reports submitted by the European Council.

With the Lisbon Treaty, the new office of High Representative of the Union for Foreign Affairs and Security Policy became an additional actor proposing and implementing foreign policy on behalf of the European Council. The President of the European Council is responsible for the external representation of the EU on issues concerning its common foreign and security policy, without prejudice to the powers of the High Representative of the Union for Foreign Affairs and Security Policy.

C. Powers

1. Institutional

The European Council provides the EU with 'the necessary impetus for its development' and defines its 'general political directions and priorities' (Article 15(1) TEU). It also decides by qualified majority on the formation of the Council and the calendar of the rotating presidencies.

2. Foreign and security policy matters (5.1.1) and (5.1.2)

The European Council defines the principles of, and general guidelines for, the common foreign and security policy (CFSP), and decides on common strategies for its implementation (Article 26 TEU). It decides unanimously whether to recommend to the Member States to move towards a progressive framing of a common EU defence policy, under Article 42(2) TEU.

If a Member State intends to oppose the adoption of a decision for important reasons of national policy, the Council may decide by qualified majority to refer the matter to the European Council for a unanimous decision (Article 31(2) TEU). The same procedure



may apply if Member States decide to establish enhanced cooperation in this field (Article 20 TEU).

The Conference on the Future of Europe's adopted citizens' recommendation No 21 requests that the EU improve its ability to make speedy and effective decisions, notably through switching from unanimity to qualified majority voting in the field of CFSP, and through strengthening the role of the High Representative of the Union for Foreign Affairs and Security Policy. In its resolution of 9 June 2022 on the call for a Convention for the revision of the Treaties, Parliament submitted proposals for treaty amendments to the Council, under the ordinary revision procedure laid down in Article 48 TEU. One key proposal was to allow decisions in the Council by qualified majority voting instead of unanimity in relevant areas, such as the adoption of sanctions and in the event of an emergency. Parliament's Committee on Constitutional Affairs is also preparing a report on the implementation of passerelle clauses in the EU Treaties (i.e. clauses that allow the alteration of a legislative procedure without a formal amendment of the treaties), proposing that passerelle clauses be activated in some priority policy areas, such as common foreign and security policy.

3. Economic governance and multiannual financial framework (MFF) (1.4.3)

Since 2009, the sovereign debt crisis has made the European Council and the euro summits the prime actors in tackling the fallout from the global banking crisis. Several Member States have received financial aid packages through ad hoc or temporary agreements decided by the heads of state or government and later ratified in the Member States. Since 2012, financial aid has been channelled through the permanent European Stability Mechanism (ESM). Member State governments, with the active participation of the Commission, Parliament and the European Central Bank, have drawn up an international treaty – the Treaty on Stability, Coordination and Governance (also called the 'Fiscal Compact') – permitting stricter control of Member States' budgetary and socio-economic policies. This increasingly raises questions about the role of the Commission and Parliament in the economic governance of the euro area.

The European Council also plays an important role in the European Semester. At its spring meetings, it issues policy orientations on macroeconomic, fiscal and structural reform and growth-enhancing policies. At its June meetings, it endorses recommendations resulting from the assessment of the National Reform Programmes drawn up by the Commission and discussed in the Council.

It is also involved in the negotiation of the multiannual financial framework (MFF), where it plays a pivotal role in reaching a political agreement on the key political issues in the MFF regulation, such as expenditure limits, spending programmes and financing (resources).

4. Police and judicial cooperation in criminal matters (4.2.6 and 4.2.7)

At the request of a member of the Council, the European Council decides whether to establish enhanced cooperation in an area related to this field (Article 20 TEU). The Lisbon Treaty introduced several new bridging clauses enabling the European Council to change the decision-making formula in the Council from unanimity to majority voting (1.2.4).



ACHIEVEMENTS

The European Council has set a five-year strategic agenda (2019–2024) identifying priority areas for longer-term EU action and focus. In addition to the strategic agenda, its shorter-term work programmes, the so-called Leaders' Agendas, set out topics for forthcoming European Council meetings and international summits. For example, the indicative Leaders' Agenda published in February 2023 set out the indicative priorities for the period from January to July 2023, which included, in particular, continued EU support to Ukraine in response to Russia's war of aggression, the economy and boosting long-term competitiveness in the EU and EU's strategic autonomy, including for security and energy.

The adoption of the Strategic Agenda 2023–2029 is planned for June 2024. In order to launch discussions in advance, President Michel sent a <u>letter</u> ahead of the June 2023 European Council. He suggested four major areas for the forthcoming agenda: consolidating the EU's economic and social base (the green and digital transitions, competitiveness, innovation, health); tackling the energy challenge; strengthening the EU's security and defence capabilities; and deepening engagement with the rest of the world. In addition, he suggested strengthening the EU's overall approach on migration.

A. Multiannual financial framework

In order to help the EU to rebuild after the pandemic and support investment in the green and digital transitions, the European Council leaders agreed, in their <u>special meeting of 17-21 July 2020</u>, on a comprehensive package of EUR 1 824.3 billion combining both the multiannual financial framework (MFF) and an extraordinary recovery effort under the Next Generation EU (NGEU) instrument.

B. Foreign and security policy

Since the beginning of the 1990s, foreign and security policy has been an important item at the European Council's summit meetings. Decisions taken in this area have included:

- International security and the fight against terrorism;
- European neighbourhood policy and relations with Russia;
- Relations with the Mediterranean countries and the Middle East.

Meeting in <u>Helsinki on 10 and 11 December 1999</u>, the European Council decided to reinforce the CFSP by developing military and non-military crisis management capabilities.

In its <u>meeting of 12 December 2003</u>, the European Council approved the European security strategy.

In its <u>meeting of 22 and 23 June 2017</u>, the European Council agreed on the need to launch permanent structured cooperation (PESCO) to strengthen Europe's security and defence. PESCO was established by the Council decision of 11 December 2017. All EU Member States take part in PESCO, except for Denmark and Malta. In total, 46 projects are currently in place under PESCO.



In its above mentioned <u>special meeting of 17 to 21 July 2020</u>, the European Council agreed that a European Peace Facility would be established as an off-budget instrument to finance actions in the field of security and defence. The financial ceiling for the Facility for the period 2021–2027 was set at EUR 5 billion, to be financed as an off-budget item outside the MFF through contributions from Member States based on a gross national income (GNI) distribution key.

In its special meeting of 30 and 31 May 2022, the European Council condemned Russia's war of aggression against Ukraine and agreed on the sixth package of sanctions, covering crude oil and petroleum products delivered from Russia to Member States. A temporary exception for crude oil delivered by pipeline was introduced. Leaders urged the Council of the European Union to finalise and adopt the new sanctions without delay.

According to the conclusions of the <u>European Council meeting of 23 March 2023</u>, the 'European Union stands firmly and fully with Ukraine and will continue to provide strong political, economic, military, financial and humanitarian support to Ukraine and its people for as long as it takes.'

C. Enlargement (5.5.1)

The European Council has set the terms for each round of EU enlargement. At Copenhagen in 1993, it laid the foundations for a further wave of accession (Copenhagen criteria). Meetings in subsequent years further specified the criteria for admission and the institutional reforms required beforehand.

The Copenhagen European Council (12 and 13 December 2002) decided on the accession on 1 May 2004 of Cyprus, Czechia, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia. Romania and Bulgaria joined the Union on 1 January 2007.

Meeting in Luxembourg on 3 October 2005, the Council approved a framework for negotiations with Croatia and Türkiye on their accession to the EU. The Accession Treaty with Croatia was signed on 9 December 2011, and Croatia acceded on 1 July 2013.

On 14 December 2021, the General Affairs Council adopted its <u>conclusions on the enlargement, stabilisation and association processes</u> for Montenegro, Serbia, Türkiye, the Republic of North Macedonia, Albania, Bosnia and Herzegovina and Kosovo, which took stock of progress made in each of these candidate and potential candidate countries.

On 23 June 2022, the European Council granted candidate status to Ukraine, following its membership application of 28 February 2022, and invited the Commission to report to the Council on the fulfilment of the conditions specified in the Commission's opinion on the membership application. Further steps would be decided by the Council once all these conditions had been fully met.

In the <u>conclusions of its special meeting of 9 February 2023</u>, the European Council 'acknowledge[d] the considerable efforts that Ukraine has demonstrated in recent months towards meeting the objectives underpinning its candidate status for EU membership. It welcome[d] Ukraine's reform efforts in such difficult times and



encourage[d] Ukraine to continue on this path and to fulfil the conditions specified in the Commission's opinion on its membership application in order to advance towards future EU membership.'

D. The UK's withdrawal from the European Union

On 23 March 2018, the European Council (Article 50), meeting in an EU-27 format, adopted the guidelines on the framework for a future relationship with the UK after Brexit. According to the guidelines, the EU wanted to have the closest possible partnership with the UK, which would cover trade and economic cooperation, and security and defence, among other areas.

On 17 October 2019, the European Council, meeting in an EU-27 format, endorsed the revised withdrawal agreement and approved the revised political declaration that the EU and UK negotiators had agreed to on the very same day. This deal was intended to allow the orderly departure of the United Kingdom from the European Union.

On 29 October 2019, following a request from the UK, the European Council adopted a decision to extend the period referred to in Article 50(3) TEU until 31 January 2020, in order to allow more time for the withdrawal agreement to be ratified. The Withdrawal Agreement entered into force on 31 January 2020. It marked the end of the period under Article 50 TEU and the beginning of a transition period that lasted until 31 December 2020. The UK is now no longer an EU Member State, but a third country.

E. Institutional reforms

The European Council meeting in Tampere (15 and 16 October 1999) decided on the arrangements for drafting the EU Charter of Fundamental Rights (4.1.2). The Helsinki European Council (December 1999) convened the intergovernmental conference in preparation for the Treaty of Nice.

The Laeken European Council (14 and 15 December 2001) decided to convene a Convention on the Future of Europe, which drew up the ill-fated Constitutional Treaty (1.1.4). After two and a half years of institutional stalemate, the European Council of 21 and 22 June 2007 adopted a detailed mandate for an intergovernmental conference, which led to the signature on 13 December 2007 of the Lisbon Treaty, which entered into force on 1 December 2009 (1.1.5). On 25 March 2011, the European Council adopted the decision amending Article 136 and paving the way for the creation of the ESM in 2012.

On 28 June 2018, the European Council adopted a <u>decision on the composition of the European Parliament</u>, which enabled Member States to enact the necessary domestic measures for organising the elections to Parliament for the 2019–2024 term^[1].

Recent crises, in particular the COVID-19 pandemic and the war in Ukraine, have highlighted the need for institutional reforms to enhance the EU's ability to react to urgent situations in a timely and effective manner.

In its <u>resolution on the outcome of the Conference on the Future of Europe</u> adopted on 4 May 2022, Parliament welcomed the Conference's conclusions and recommendations, acknowledged that <u>Treaty changes</u> were necessary and asked its



Committee on Constitutional Affairs to prepare proposals to reform the EU Treaties through a convention in line with <u>Article 48 TEU</u>. On 9 June 2023, Parliament adopted <u>a resolution on the call for a Convention for the revision of the Treaties</u>. One key proposal is to reform voting procedures and allow decisions in the Council by qualified majority voting instead of unanimity in relevant areas, such as the adoption of sanctions and so-called *passerelle* clauses, and in the event of an emergency.

Eeva Pavy 10/2023

