

International Dialogue: Article by Prof. Romano Prodi (13/06/2003)

«Towards a closer union? The institutional structure of the EU and the role of European citizens» by Prof. **Romano Prodi**, President of the European Commission

The Convention on the future of the EU is going to the wire.

Many already predict that the deadline will not be met. The Convention, led by former French President Valéry Giscard d'Estaing, has asked for extra time for a legal clean up of some parts of the new treaty.

Some believe the most difficult questions will be left for the Intergovernmental Conference following the Convention.

It would be a great pity for the Convention because it has already achieved much.

A constitution, a clearer definition of competencies, the abolition of the cumbersome pillar structure, simplification of the legislative procedures, legally-binding fundamental rights and a legal personality are just a few of the innovations that will make the EU more efficient and democratic.

Anyone suggesting these reforms at the end of the 1990s would have been dismissed as a federalist fanatic.

Despite some progress, much remains open. Not least the most difficult institutional questions, such as the size of the Commission, the idea of an EU President, the division of seats in the European Parliament, the rotating Presidency and the weighting of votes in the Council.

These are fundamental questions that determine the representation of the member states in the EU and the balance between the EU institutions. They are about power and influence.

The paradox is that everyone admits the need for radical institutional reform, but no one seems to have the courage to do it.

The big states are pushing for more intergovernmentalism, which would have catastrophic implications for an enlarged EU. Consequently, the small states have been forced into defence mode and seem to be clinging on to the status quo.

Both are wrong. Without radical institutional reform, the EU risks a decision-making crisis with unforeseen implications.

The Convention must put forward a balanced text with no alternatives, a text that lays the foundations for Europe for many years to come, a text that guarantees our independence and ensures our presence on the international stage.

If the decisions on a number of crucial issues are left to the Intergovernmental Conference, we will risk a rerun of the sorry experience of Nice. And that would be a sad and ironic turn of fate.

This is our chance and we must not waste it.

It is important to remind ourselves of the original ideas behind this great endeavour to reform our policies and our institutions.

In December 2001 the Laeken Declaration set up the Convention and gave it the task of preparing the ground for the Intergovernmental Conference as broadly and openly as possible.

The Laeken Declaration laid down three main goals:

- a better division and definition of EU competences,
- simplification of the EU's legal instruments and action,
- and lastly, more democracy, transparency and efficiency in the Union.

The basic aim is to assert the values that guide the Union, define the citizen's fundamental rights and duties and clarify the relationship between Member States within the Union.

So the Convention has a very tough task, but it has fifty years of successes to draw on.

In nearly half a century, we have built up an astonishing wealth of institutional and lawmaking experience and we have developed a style of politics that is unique on the world scene.

Put simply, the Convention must define more clearly who does what in the European Union.

This means striking a new balance between the institutions in order to equip Europe to play its part in a globalised world, a balance that is easy to grasp for our fellow citizens:

- Parliament and the Council must have joint responsibility for legislative power. This calls for the general extension of codecision;
- The Court of Justice must hold judicial power. Here I am in favour of extending its jurisdiction to foreign policy and in the area of justice and home affairs;
- Lastly, the Union needs to have a single executive -- the Commission. Under the control of the European Parliament and the Council, the Commission should apply legislation, implement policies and represent the Union externally, except as regards the Common Security and Defence Policy.

Duplicating the executive would not bring the transparency and accountability EU citizens demand, and such an executive would escape Parliament's control.

Above all, the political will to act democratically and effectively must not lack one decisive and determining element -- the general application of majority voting in decision-making.

The latest version of the draft Constitutional Treaty published contains many good proposals:

- The Charter of Fundamental Rights is firmly enshrined as Part Two of the Constitution;
- The scope of codecision has been extended;
- And it is now plain we will have a Foreign Minister to represent the Union internationally.

But there are other issues where we must continue to press our case.

First, the requirement for unanimity has not been superseded. This is the basic problem hanging over the EU institutions' whole future effectiveness, because the right of veto can only bring deadlock in the Union.

The best solution seems to be the double simple-majority voting system -- that is, at least half the Member States representing at least 50% of the EU population.

This is the system we prefer because it reflects the dual legitimacy of the Union -- a Union based on agreement between the States and the shared will of the peoples.

But I repeat the basic point is to do away with the right to veto.

Secondly, the issue of a stable Presidency of the European Council is still unresolved. To my mind, the solution put forward in the latest draft of the Constitution has three drawbacks:

- First, there is the problem of accountability, since it is unclear to whom such a President would report;
- In addition, it weakens the European Parliament's role because this assembly has power of control over the Commission but not over the Council or its President. Not much European democracy there!
- Lastly, it would create another executive within the Council and this would end up generating confusion between Community competencies. So no simplification of instruments here, and even less clarity about who does what within the Union.

More generally, what counts is laying the basis for effectively combining what cannot go beyond intergovernmental co-operation today and our established Community mechanisms. This cannot be achieved by dividing and fragmenting these two dimensions, but rather by interlinking them, and providing for possible future development towards more unitary formulae, such as that of the President of the Union. In perspective, the better solution would not be to duplicate the Presidents but to have a single President for the Union.

Today the Union's Foreign Minister gives us a practical example to work with. The person holding this post will represent the Union for the Common Foreign and Security Policy, while we want the Commission to continue to represent it in all other areas. This explains the proposal for a double hat and why the Minister must be a Commissioner if the idea is to work, albeit a Commissioner with special status as regards the CFSP.

The Foreign Minister will therefore need to work closely with the College and in particular with the President of the Commission and must have the backing of a genuine European diplomatic

service. This structure must be linked administratively with the Commission in order to work together with the other Commission departments in order to make optimum use of knowledge and resources.

The Union's external representation will thus be truly unitary and able to utilise Community and intergovernmental instruments effectively, and this will give us the international influence and role we should have.

This is a practical example of how the intergovernmental and Community dimensions should be combined.

The events of the last few months have taught us one thing: until we put an end to our divisions, we will continue to be an economic giant and a political dwarf on the world stage.