

A Constitution for a Europe that works

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1. Introduction

"Conscious of its history and its spiritual and moral heritage, the Union is founded on the indivisible, universal values of human dignity, freedom, equality and solidarity; it is based on the principles of democracy and the rule of law. It places the individual at the heart of its activities, by establishing the citizenship of the Union and by creating an area of freedom, security and justice."

We choose to act together in a European Union as a result of our experiences in history and as a response to the challenges of the future. Through the European Union we intend to develop a society which - in the era of globalisation - combines free economy with a society based on solidarity. This is our model of a social market economy. The European Union has to commit itself to consolidate and stabilise freedom and democracy, human rights, peace and prosperity throughout the continent of Europe and contribute actively to more freedom and peace in the World. The EPP calls for a sustainable model of societies, taking into account the solidarity with future generations. The peoples which joined the European integration process based on their free decision, declare to create a close and federal European Union and to join forces in order to realise these values, which the EPP considers as constituent for the European Union. Therefore it is our duty to create a European Union deserving of its name - based on a European Constitution.

Our Ideas for the future of the European Union are based on the successful history of European Integration over the last five decades. The European People's Party feels obliged to carry on the historic achievements of its founders and of the Christian Democratic post-war generation. Without Jean Monnet, Robert Schuman, Alcide de Gasperi and Konrad Adenauer Europe would be far different from what it is today: A guarantor of freedom, peace and prosperity. The European Union, having established the freedom of movement, the Single Market and the Economic and Monetary Union, is the most successful political project ever undertaken in Europe.

We must continue to build on this success. The EPP is conscious of the challenge that an enlarged Europe poses both to cohesion and our institutions. The Reunification of Europe, as the end of the continent's unnatural division

is commonly described, constitutes a unique event - not comparable with former enlargement processes. Therefore, we now need extraordinary efforts to continue the success story of European Integration. We know that there is a need for far-reaching reforms in order to ensure the achievement of the objectives of our founding fathers for the future.

The success story of European integration can only be continued, if we address the citizens' worries and fears and fight scepticism with a decisive concept for clear competences, more transparency and democratic decision-making. Therefore we need - as already laid down in the protocol of the Amsterdam Treaty in 1997 - a fundamental reform. In our view it is our duty to explain to the people what they can expect of Europe in the future. The former method of step-by-step integration without a clearly-defined aim has reached its limit. Europe needs to have a clear understanding of itself and its current and future role.

The discussion on the borders of Europe is strongly linked with Europe's understanding of itself. Long ago Europe became more than a free-trade area simply guaranteeing economic growth. The geographic expansion of the Union must not overweigh its capability to integrate. Therefore we demand a defining of these boundaries clearly but openly, i.e. by offering institutionalized co-operation to states that do not want to be, or cannot be, eventually accepted as full members for the time being. The EPP proposes the creation of a "European Partnership"- similar to the European Economic Area - but by including a political component. This would enable Europe to strengthen its institutionalized relations with neighbouring countries of the Union and consequently promote peace and stability all over Europe.

In a continuously growing Union it is also necessary to state that the Member States have joined the Union on a voluntary basis. But because the European Union is much more than a free-trade area, constructive co-operation within the Union has to be ensured in order to meet its objectives.

In December 2000 in Nice the Heads of State and Government of the EU agreed on the "Declaration on the Future of the Union". This is intended as the starting point for a deeper and broader discussion on the future of the EU which should particularly reflect upon the following questions:

- the distribution of competences between the Member States and the EU in accordance with the principle of subsidiarity
- the status of the Charter of Fundamental Rights
- the simplification of European Treaties in order to increase their transparency
- the role of national Parliaments in the European hierarchy

The Agenda of this debate has to be designed in an open way so that the deficits of Nice can be overcome and a more democratic and transparent Europe with a greater capability to act can emerge.

The limits of the intergovernmental method have been clearly revealed by the preparation of and the incidents during the Nice Conference. The post-Nice process therefore has to dwell upon the active participation of members of the European Parliament and the national parliaments as democratically elected representatives of the citizens of the European Union, as well as the active involvement of the European Commission in the decision-making process.

In order to elaborate a Treaty which forms the basis for a European Constitution we call for new ways of arriving at decisions, i.e. a Conference which meets in public and is based on the successful model of the

Convention that drafted the Charter of Fundamental Rights, with effective internal decision-making procedures and specialized working groups where external experts and representatives of civil society should be heard. Representatives of Regions and the Applicant States must also be involved in the process as permanent observers. A second step would involve an Intergovernmental Conference which would debate the results of the Convention process and decide on a new Treaty. The inauguration of a new Convention must be completed by the beginning of 2002 and must be complemented with a clear mandate, timetable and rules of procedure. The Convention should have completed its work by the autumn of 2003 in order to in order to serve as a basis for an Intergovernmental Conference by the end of 2003 to finalise the decision-making process.

The EPP will be the first European Party to submit a comprehensive concept for a European Constitution - as heirs of the Christian Democratic founding fathers, this is both a challenge and an obligation. This Constitution should - in a transparent and generally understandable way - divide competences between the Union and the Member States as well as including Fundamental Rights and the future structure of European institutions.

2. Practical Subsidiarity: The distribution of competences between the European Union and Member States

The discussion on reforming the European Union is not a fight for influence between the Member States and Union. In our view these two are not opposites - on the contrary; in our globalised world Europe and the Nation States are two sides of the same coin. The Nation States are the basis for Europe's development.

Theoretical discussions on sovereignty lead us astray. Already today the Nation States individually have lost their ability to secure peace, external and interior security, prosperity and growth in a globalised world. Sovereignty can only be exercised on a larger scale. Therefore the question is rather not to give up sovereignty but on the contrary, to restore the capability to act in some areas of politics. Because of demographic changes and the rapid development of other regions in the world, this trend will increase. In many cases we will have only one alternative: strength within a team or being alone and marginalised. Already today, the competences in many areas is divided between Nation States and European Union. We call for a definition - on the basis of the principle of subsidiarity - of the policy areas to be decided upon at European level. The European Union has to be granted the means to exercise these competences in an efficient way. This is the only way to keep pace with the other developing global regions and to successfully renew the "European model".

In the future the Member States will keep the responsibility for amending European Treaties. A European Constitution underlines the fact that the European Union is a new form of co-operation, discussions on a state-like character of the Union are misleading.

Transparency and democracy are the guidelines for our European policy. The lack of transparency in the current distribution of competences between Europe and the Nation States are among the reasons for a decreasing acceptance of the integration process. The citizens have to be enabled to assess which level of administration bears the responsibility for which decisions. That is why the distribution of competences is paramount to the discussion on the future of Europe.

The principle of subsidiarity has to play the central role in the distribution of competences. According to the principle of subsidiarity, only those competences should be accorded to the European level which cannot sufficiently be dealt with on the national level. Consequently, it is our task to define the Union's core competences. The distribution of competences has to

be periodically reviewed.

The competences of the Union have to be laid down in the Constitution; these of the Member States do not need to be. In every case where no competence has been allocated, Member States automatically bear this responsibility.

The Union should have responsibilities for the current Common Foreign-, Security- and Defense Policies, for a Single Market with free movement, functioning competition, common external representation, a single currency and a reformed agriculture policy. Additionally the Union should act in the areas of justice, immigration, internal security, communication and infrastructure, research, environmental and health policies, if transnational or supranational dimensions are concerned. The Union should bear responsibility for safeguarding the Fundamental Freedoms of the Constitution. This, however, does not signify a competence of the Union for the whole areas in general.

Those policies belonging to the grown traditions of civilizations and culture and the whole area of civil society should remain in the responsibility of the Member States. Especially the internal organisation of the Member States, family structures and social security schemes as well as education, culture and sports should not be dealt with on European level. Nevertheless, cooperation in those areas should be possible.

In the framework of the communitarised competences the various forms of action have to be listed and their content defined. For single competences, permissible action and instruments need to be defined. The various forms of action and the instruments have to be allocated to different categories of competences. In the Treaty the single responsibilities of the EU and the divided responsibilities have to be laid down. Legal objectives laid down in the Treaty have to be considered against the background of the communitarised competences without justifying any single competence for the Union. General guidelines for common policies need to be reviewed and defined more precisely in order to prevent an uncontrolled expansion of competences. In those areas which in the future will be dealt with following the intergovernmental model, the EU will bear a co-ordinating responsibility. In this respect one will make greater use of the possibilities of enhanced co-operation and flexibility. The Union's capability to act in this policy area will have a decisive impact.

European integration is based on solidarity among the Member States but also on competition. This has to be understood as we search for the most appropriate methods and policies. Therefore, competition and solidarity are to be seen as mutually dependent elements of the "European model". Rapid economic and social change requires an appropriate form of flexibility within the Treaty. A distribution of competences must not be understood as laying down the allocation in stone, with no possibilities for further change. Moreover transparency should be increased by more clearly defined competences and leading to an improvement in the acceptance of politics in Europe.

European Solidarity should remain the key element when it comes to a reform of the system of regional and structural funding. This policy is a constitutive element of the European integration. However, in an enlarged European Union, this system is not efficient anymore. It should be replaced by a solidarity fund which - on the basis of subsidiarity, within the European competition rules and with a possibility for control by the European Union - leaves more freedom to the less wealthy Member States to use the financial means in the best possible way for investment purposes.

A Constitutional court or a Constitutional chamber of the European Court of Justice should be created to decide upon the allocation of

competences.

3. Inclusion of the Charter of Fundamental Rights into the Constitution

The Charter of Fundamental Rights has to become an integral part of the European Constitution. Currently the Charter is a political declaration of the Commission, the Council and the European Parliament. In future it should lead to legally binding decisions. A Charter of Fundamental Rights has to be an important part of a Constitution because it is one of the basic elements clarifying the relationship between the Union and the citizens. The integration of fundamental rights into the Treaty underlines that the European Union is a Community of Values. The Charter has to be applicable for every decision taken by the Union and for Member States in the cases where they act on behalf of the Union. The European Court of Justice and the Court of First Instance have to be granted appropriate competences in order to strengthen the Union and its relationship with the citizens.

The Charter will make fundamental rights visible for everybody. The intention is not to introduce new rights but to assimilate the already recognized and existing agreements into the *acquis communautaire*. The Charter of Fundamental Rights will strengthen the EU as a Community of Values and at the same time improve the protection of fundamental rights. A consistent interpretation of fundamental rights by the European Court of Justice and the European Court of Human Rights must be ensured. The EPP is in favour of the accession of the EU to the European Convention on human rights.

4. Reforming the Institutions: New solutions for more democracy, transparency and proximity to the citizens

Democratic control has to be exercised at all levels. The Member States have transferred competences to the European Union. We must ensure that the same democratic rules are applied on both the European level and in the Member States. Due to this fundamental conviction, the EPP defends its opinion that the Declaration on the Future of the Union agreed upon in Nice, has neglected the structure of the institutions as a whole. The upcoming enlargement with the new Member States will drastically increase the present problems in the decision-making procedures. Interests will be more diverse, discussions will need more time and decisions will become more and more difficult. The EPP stresses the need to overcome the standstill in the reform process because the status quo simply will not work.

National Parliaments have to be strengthened by a clearer division of competences. Each national Parliament should enhance its control function in European affairs towards the government. A specific role for national Parliaments within the institutional framework of the EU will not contribute to our objectives: more transparency, democracy and efficiency of the decision-making processes. This is the reason why the EPP presents a comprehensive concept for the future of the European Institutions. We are fully aware of the fact that these proposals go beyond the Declaration of Nice. But it is our opinion that it is the right time to tackle comprehensive institutional reform.

The European Union is neither a federation in the classical sense, nor a state. This fact should not stop us changing non-democratic and non-transparent procedures. The citizens and their ability to democratic control are at the centre of our ideas for reforming the European Institutions. For this reason, legislative and executive competences have to be delineated more clearly in order to build a Union which is transparent and respects basic democratic principles. Moreover, the European Union has to be granted full juridical personality. EU citizens have a right to a transparent process of legislation and decision-making.

European Parliament:

The European Parliament has to become an equal legislative organ to the Council. This includes budgetary competences. In the last decade the European Parliament has seen a significant increase of power. This has not been translated into an appropriate influence on public opinion in Europe. In future, European Political Parties must also play an important role in this field.

The composition of the Parliament should reflect the distribution of the population a manner as proportional as possible while safeguarding a minimum representation of the smallest Member States.

The number of European Parliamentarians must be limited to not more than 700 in order to ensure its ability to work. The deputies should be elected on the basis of common principles of European electoral law, such as proportional representation, regional constituencies and a preference vote, whereas political parties ought to democratically select their candidates to the European elections.

Parliament and Council should be - in those cases where the Council decides by majority - equal actors in the decision-making process.

Council:

Reform of the Council is long overdue: a lack of co-ordination between the various departmental Councils, complicated and non-transparent decision-making procedures as well as inefficient debates are the main reasons for the lack of transparency and efficiency. Additionally, the Council is overloaded with countless administrative questions. For this reason, the entire role of the Council has to be reviewed. This is also true for its role within the institutional framework. We propose that:

The decision-making procedures within the Council have to be more democratic, transparent and efficient. When exercising its legislative function, the Council should meet in public and the protocols should be published.

The Council has to concentrate - together with the European Parliament - on its legislative role. Executive functions should no longer be exercised by the Council.

The role of the Council should be one of a chamber representing the Member States and legislating together with the European Parliament.

As a general rule, the Council should decide by majority vote. Only in the areas of Treaty Changes, accession of new Member States and decision on own resources as well as on a significant redistribution of financial transfers unanimity should remain.

There have to be less departmental Councils. Transparency and coherent decisions can best be reached by pooling the work into one single Council.

Commission:

The Commission has to be developed into the real Executive of the Union. Furthermore, democratic control by the European Parliament has to be increased and the responsibility of the individual commissioners clearly laid down.

In future, the President of the Commission should in be elected by the European Parliament. The Council must confirm this election by majority voting. This would give to European Parties the opportunity to present their

own candidates to the European Parliament in an election campaign. This would lead to a more personalised election campaign and would increase the democratic control and support of the Commission.

The President of the Commission should be granted the right to select members of the European Commission in accordance with needs. The Commission as a whole has to be elected by the European Parliament and confirmed by the Council by majority vote.

The executive functions of the Union have to be exercised by the Commission. The creation of additional authorities and representatives must be avoided. The tasks of the Secretariat of the Council should be exercised by the Commission.

5. Our responsibility: Reforms Now

The EPP more than ever remains committed to the visions of the founding fathers of today's Europe. Visionary reform steps in Europe have been carried out when our political family carried the political responsibility. We want to take the lead in presenting a clear and coherent concept for the Future of the European Union in order to continue the success of European integration and create a Europe which works - for us and for future generations.

Our concept is visionary - but it is not utopian. Our reform proposals are concrete and can realistically become reality until 2004. In order to achieve this, we propose a concrete timeframe connected with a clear and transparent procedure.

This is our contribution to build a Europe which is more democratic, transparent and efficient. Our goal is a Europe which is able to face the challenges of a globalised world and to give the appropriate answers to the questions our citizens are concerned with.

Institutions and the reforms of a framework are not means by itself. But they are necessary in order to construct an enlarged Europe which is capable to act and to safeguard freedom and democracy, human rights, peace and prosperity for all citizens.