

# Procedure file

Basic information		
CNS - Consultation procedure	<a href="#">1999/0825(CNS)</a>	Procedure completed
Intergovernmental Conference IGC: revision of the Treaties, the financial interests and the European Prosecutor		
Subject 8.10 Revision of the Treaties, intergovernmental conferences 8.70.04 Protecting financial interests of the EU against fraud		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>AFCO</b> Constitutional Affairs		22/09/1999
		PSE <a href="#">LEINEN Jo</a>	
	Former committee responsible		
	<b>AFCO</b> Constitutional Affairs		22/09/1999
		PPE-DE <a href="#">DIMITRAKOPOULOS Giorgos</a>	22/09/1999
		PSE <a href="#">LEINEN Jo</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	<b>AFET</b> Foreign Affairs, Human Rights, Common Security, Defense		25/11/1999
		PPE-DE <a href="#">BROK Elmar</a>	
	<b>BUDG</b> Budgets		03/02/2000
		PSE <a href="#">COLOM I NAVAL Joan</a>	
	<b>CONT</b> Budgetary Control		11/01/2000
		PPE-DE <a href="#">THEATO Diemut R.</a>	
	<b>LIBE</b> Citizens' Freedoms and Rights, Justice and Home Affairs		17/01/2000
		PPE-DE <a href="#">PALACIO VALLELERSUNDI Ana</a>	
<b>ECON</b> Economic and Monetary Affairs		17/01/2000	
	PPE-DE <a href="#">VON WOGAU Karl</a>		
<b>JURI</b> Legal Affairs and Internal Market		23/09/1999	
	ELDR <a href="#">DE CLERCQ Willy C.E.H.</a>		
<b>ITRE</b> Industry, External Trade, Research, Energy		14/10/1999	
	ELDR <a href="#">PLOOIJ-VAN GORSEL Elly</a>		
<b>EMPL</b> Employment and Social Affairs		14/10/1999	
	PPE-DE <a href="#">PRONK Bartho</a>		

	<b>ENVI</b> Environment, Public Health, Consumer Policy		13/10/1999
		ELDR <a href="#">OLSSON Karl Erik</a>	
	<b>AGRI</b> Agriculture and Rural Development		11/10/1999
		V/ALE <a href="#">GRAEFE ZU BARINGDORF Friedrich-Wilhelm</a>	
	<b>PECH</b> Fisheries		23/09/1999
		PPE-DE <a href="#">LANGENHAGEN Brigitte</a>	
	<b>RETT</b> Regional Policy, Transport and Tourism		13/10/1999
		ELDR <a href="#">SÁNCHEZ GARCÍA Isidoro</a>	
	<b>CULT</b> Culture, Youth, Education, Media and Sport		11/10/1999
		ELDR <a href="#">ANDREASEN Ole</a>	
	<b>FEMM</b> Women's Rights and Equal Opportunities		21/09/1999
		PSE <a href="#">KARAMANOU Anna</a>	
Council of the European Union	Council configuration	Meeting	Date
	Fisheries	<a href="#">2237</a>	16/12/1999
European Commission	Commission DG	Commissioner	
	<a href="#">Secretariat-General</a>		

## Key events

14/12/1999	Legislative proposal published	<a href="#">14094/1999</a>	Summary
17/01/2000	Committee referral announced in Parliament		
27/01/2000	Vote in committee		Summary
27/01/2000	Committee report tabled for plenary, 1st reading/single reading	<a href="#">A5-0018/2000</a>	
02/02/2000	Debate in Parliament		
03/02/2000	Decision by Parliament	<a href="#">T5-0042/2000</a>	Summary
23/03/2000	Vote in committee		Summary
23/03/2000	Committee interim report tabled for plenary	<a href="#">A5-0086/2000</a>	
12/04/2000	Debate in Parliament		
13/04/2000	Decision by Parliament	<a href="#">T5-0163/2000</a>	Summary
07/12/2000	Act adopted by Council after consultation of Parliament		
07/12/2000	End of procedure in Parliament		

## Technical information

Procedure reference	1999/0825(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legal basis	Treaty on the European Union (after Amsterdam) M 048-p2
Stage reached in procedure	Procedure completed
Committee dossier	AFCO/5/12357; AFCO/5/12490

### Documentation gateway

Document attached to the procedure	<a href="#">N5-0263/1999</a>	27/10/1999	CSL	Summary
Document attached to the procedure	COM(1999)0592	02/12/1999	EC	Summary
Legislative proposal	<a href="#">14094/1999</a>	14/12/1999	CSL	Summary
Document attached to the procedure	COM(2000)0034	26/01/2000	EC	Summary
Committee report tabled for plenary, 1st reading/single reading	<a href="#">A5-0018/2000</a> <a href="#">OJ C 309 27.10.2000, p. 0004</a>	27/01/2000	EP	
Text adopted by Parliament, 1st reading/single reading	<a href="#">T5-0042/2000</a> <a href="#">OJ C 309 27.10.2000, p. 0015-0085</a>	03/02/2000	EP	Summary
Document attached to the procedure	COM(2000)0109	01/03/2000	EC	Summary
Document attached to the procedure	COM(2000)0114	14/03/2000	EC	Summary
Committee interim report tabled for plenary	<a href="#">A5-0086/2000</a> <a href="#">OJ C 040 07.02.2001, p. 0005</a>	23/03/2000	EP	
Document attached to the procedure	<a href="#">N5-0215/2000</a>	05/04/2000	CSL	
Interim resolution adopted by Parliament	<a href="#">T5-0163/2000</a> <a href="#">OJ C 040 07.02.2001, p. 0149-0409</a>	13/04/2000	EP	Summary
Document attached to the procedure	<a href="#">04746/2000</a>	26/05/2000	CSL	Summary
Document attached to the procedure	COM(2000)0608	29/09/2000	EC	Summary
Document attached to the procedure	COM(2000)0771	22/11/2000	EC	Summary

## Intergovernmental Conference IGC: revision of the Treaties, the financial interests and the European Prosecutor

**PURPOSE:** presentation of a report of the Tampere European Council on progress in the Union in 1998 to the European Parliament.

**CONTENT:** The report seeks to provide an update of the progress of the Union in 1998, the year in which the future enlargement of the Union and the setting up of the future enlargement of the Union and the launch of the euro. The main themes dealt with in the report are the following: 1) preparations for the euro: on 3 May 1998, the Council took an historic decision to allow the participation of 11 Member States in the euro from 01.01.1999. The parities between European currencies were fixed definitively on 31.12.1998 and from 01.01.2002, only notes and coins denominated in euro will be used in the 11 participating countries. Economic policies will remain the responsibility of Member States, although increased coordination will permit better links between national economic policies; 2) role of employment and social affairs: in 1998, the Union gave absolute priority to employment resulting in the creation of some 1.7 million jobs and reducing the unemployment rate below the 10% mark for the first time since 1992. The implementation of employment guidelines and their integration in national action plans (NAPs) gave a new impetus to combating unemployment in the Member States. The Member States also set quantifiable objectives and additional deadlines to reduce unemployment. Efforts however need to be made with a view to strengthening multilateral surveillance of the implementation of the guidelines. 3) enlargement: the process started on 30.03.1998 and membership negotiations started with 6 countries: Cyprus, Hungary, Poland, Estonia, Czech Republic and Slovenia. In this context, great importance will be attached to the preaccession process with the introduction of partnerships linking the Union with each candidate country. 4) AGENDA 2000: it was in 1998 that the important negotiation took place within the Union concerning AGENDA 2000 to prepare the work to be undertaken from 2000-2006. Agenda 2000 has three objectives: reform of the existing policies of the Union (common agricultural policy, structural and cohesion policies), to create new instruments to deal with immediate challenges such as enlargement (new financing instruments, in particular), and to give the Union an appropriate financial framework. The overall package of these various reforms was adopted in mid-1999 in Berlin. 5) an area of freedom,

security and justice: several aspects in this field were launched in 1998; in particular, with regard to combating drugs and organised crime. In 1998 also, the EUROPOL Convention was ratified and the High Level Group on asylum and migration was created. 6) environmental protection and sustainable development: given that the issue of the environment is of increasing concern to citizens, the Union embarked on some important legislative initiatives to protect the environment: the adoption of the Auto-Oil programme that seeks to reduce emissions from cars, adoption of an action programme for sustainable development, reform of the common agricultural policy while respecting environmental standards, etc. 7) internal market, engine for job creation: with the introduction of the Action Plan in favour of the single market, the Union accelerated the number of measures taken to facilitate the free movement of goods in the Union and to increase the competitiveness of businesses, relaunching employment. Great attention was paid to the SLIM programme which aims to simplify legislation concerning the internal market. Consumer protection also became an important issue for the Union (in 1998, the Regulation on GMOs was adopted). In the field of energy, the Directive on the internal market for natural gas adopted. Other work was undertaken in 1998 in the field of transport, telecommunications and maritime safety. The Fifth Framework R&D Programme was also adopted. 8) the implementation of the Amsterdam Treaty: work commenced with respect to the implementation of the Amsterdam Treaty, in particular in the field of the CFSP or in view to integrating the Schengen acquis in the Community domain. Relations between the Union and the WEU were also intensified. At the same time, a debate on a European defence policy was opened with the purpose of giving the CFSP credible operational capacities; 9) Europe in the international arena: the Kosovo crisis and the Middle East peace process were the main issues dealt with in foreign policy terms in 1998. Particular attention was also paid to relations with Russia, Ukraine and the New Independent States of the former USSR. As far as Kosovo is specifically concerned, the Union initiated dialogue between the Serbs and Albanians with the sending of a special Union Envoy. 10) challenges for the future: several aspects will need to be dealt with in order to face the challenges of the new Millennium: safeguard employment, improve safety and quality of life (in particular strengthening police cooperation in combating organised crime), human rights and relations with third countries, reform of institutions and the enlargement process. With respect to the CFSP, particular attention should be paid to Russia, the Ukraine, the Mediterranean region and above all the Western Balkans.?

## Intergovernmental Conference IGC: revision of the Treaties, the financial interests and the European Prosecutor

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**OBJECTIVE:** to adapt the institutions in order to ensure that enlargement is successful. **CONTENT:** Institutional reforms are required in order to operate a much wider Union. The Commission recommends: - Qualified majority voting in Council should become the rule, with a very few exceptions. This must be combined with an extension of the co-decision procedure in the European Parliament. - The re-weighting of votes in Council could set, once and for all, the percentage of votes for a qualified majority (currently 71%) in order to ensure that decisions are democratically representative and to facilitate decision-making. - For the European Parliament, the number of members from each state must be specified, with the overall number kept within the upper limit set by Treaty. - An increase in the number of Commissioners is likely to disrupt the balance in the working of the Commissioners. - All institutions must re-examine working methods. The European Parliament must take steps to a Members Statute under Article 190(5) of the Treaty of Rome. Work on common procedures for electing MEPs must be rapidly completed.?

## Intergovernmental Conference IGC: revision of the Treaties, the financial interests and the European Prosecutor

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**PURPOSE :** the convening of an Intergovernmental Conference (IGC) concerning the amendment of the Treaties on which the Union is founded. **CONTENT :** Pursuant to Article 48 of the Treaty on European Union, the Finnish Government is convening a new IGC and submits to the Council a proposal for the amendment of the Treaties on which the Union is founded, mainly dealing with the extension of qualified majority voting in the Union. In parallel, it has asked for the opinion of the European Parliament on these questions. The IGC will be officially convened in early February 2000 with the purpose of reforming the Treaties in regard to the following points : - the size and the composition of the Commission ; - the weighting of votes in the Council ; - the possible extension of qualified majority voting in the Council ; and other necessary amendments to the Treaties arising as regards the European institutions in connection with the above issues and in implementing the Treaty of Amsterdam. The incoming Presidency (Portugal) will report to the European Council on progress made in the Conference and may propose additional issues to be taken on the agenda of the Conference.?

## Intergovernmental Conference IGC: revision of the Treaties, the financial interests and the European Prosecutor

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In presenting its opinion on the future revision of the Treaties, the European Commission states that it is in favour of a far-reaching reform of the composition of the EU institutions and of the decision-making process in order to make it more effective. The document is in two parts: the first deals with the operation of the European institutions in the enlarged Union and the second with the effectiveness of decision-making procedures. It includes proposals for new Treaty articles, intended as a practical contribution to the proceedings of the Intergovernmental Conference. 1) Role, operation and composition of the institutions and bodies of the European Union: the remit given to the IGC by the Helsinki European Council is not to change the role or powers of the institutions, but to adapt their operation to the needs of an enlarged Europe. The Commission proposes retaining 700 as the upper limit on the number of Members of the European Parliament, some of whom, in part would be elected on Europe-wide lists. The opinion contains two options for the composition of the Commission: the first, in order to preserve collective responsibility, recommends that the number of Commissioners be kept at 20, whatever the future number of Member States, with a rotation system laid down in the Treaty and based on the principle of equality of the Member States. The second is that of a Commission made up of a national of each Member State, which would entail major adjustments in its organisation and its operating methods. Whatever the option, the undertaking given by each Commissioner to resign if requested to do so by the President will have to be formally incorporated in the Treaty. The Commission proposes supplementing the Union's justice system to improve the operation of the European Court of Justice and also to add a judicial dimension to the action to combat fraud against the Community budget. The other institutions and bodies of the European Union will need to be reformed before enlargement. The number of members of the Court of Auditors should be limited. The Economic and Social Committee should be more representative of European civil society and the number of members kept at the

same level. The Committee of the Regions should also be kept at the same size. An effective decision-making process: to preserve the effectiveness of the decision-making process after enlargement, unanimity should be required only when there are serious and lasting reasons for it. As a general rule, qualified majority voting should replace the unanimity requirement. The opinion identifies five categories of provision which require the unanimous agreement of Member States: decisions which have to be ratified by each Member State; decisions relating to the operation and balance of the European institutions; decisions in the field of taxation and social security not related to the operation of the single market; conclusion of international agreements on matters on which the Council still acts unanimously; and derogations from the common rules of the Treaty. The opinion also proposes making the Union's decision-making procedures simpler, more effective and more coherent. The Commission makes four proposals: strengthening the link, for legislative decisions, between the codecision procedure and qualified majority voting; extending the scope of the common commercial policy rules to cover all services, investment and intellectual property rights; enhancing the powers of the European Parliament in trade matters; and dropping the cooperation procedure. With regard to the voting procedure in the Council, the Commission, whilst accepting the argument for a re-weighting of votes, recommends adopting a straightforward and democratic system of double simple majority, whereby a decision would stand adopted if it had the support of a simple majority of the Member States and a simple majority of the total population of the Union. The Commission believes that the Union must not only maintain its present level of integration but also equip itself with the means of going even further. As there will be greater diversity within the enlarged Union, the possibility must be provided of allowing certain Member States representing at least one third of the number of Member States, without weakening the Community edifice, to cooperate and move beyond the level of integration achieved today. The Commission accordingly recommends reviewing the existing Treaty provisions on closer cooperation and extending them subject to conditions to be defined to the Union's common foreign and security policy. Treaty articles: the Commission opinion proposes draft Treaty articles on certain matters as a concrete expression of the amendments that it is recommending. It believes that the proceedings of the Intergovernmental Conference for the revision of the Treaties should be as operational as possible. The Commission will be presenting further contributions in the months ahead on items such as the reorganisation of the Treaties. The European Council will eventually have to decide whether certain matters should be included in the treaty, such as the development of a European security and defence policy and the Union Charter of Fundamental Rights.?

## Intergovernmental Conference IGC: revision of the Treaties, the financial interests and the European Prosecutor

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The committee adopted the report (under the consultation procedure) by Giorgios DIMITRAKOPOULOS (EPP/ED, GR) and Jo LEINEN (PES, D) containing Parliament's draft opinion on the IGC. The committee felt that the IGC agenda agreed at Helsinki did not comply with the protocol to the Amsterdam Treaty which provided for "a comprehensive review" of the provisions of the Treaties governing the institutions if enlargement were to result in an EU of more than twenty Member States. The opinion called for the Portuguese Presidency to abide by its commitment to propose to the Lisbon European Council other topics for inclusion on the IGC agenda - a possibility allowed for by the Helsinki conclusions - taking particular account of the proposals contained in Parliament's resolution of 18 November 1999. The opinion said that Parliament would state its priorities and lay down practical proposals to the IGC in a subsequent report. On the subject of Parliament's representation, the committee believed the EP should be present at all levels of the IGC, which would mean that its President should be able to take part in meetings of the European Council on the same footing as the Commission, and that Parliament's representatives should be allowed to attend ministerial meetings. In conclusion, the committee argued that it was essential for an IGC to take place but questioned the agenda adopted by the Helsinki European Council, which it felt could jeopardise the integration process. It wanted the Council to adopt an open attitude towards the Portuguese Presidency's proposals for broadening the IGC agenda. ?

## Intergovernmental Conference IGC: revision of the Treaties, the financial interests and the European Prosecutor

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The European Parliament adopted its resolution on the convening of the Intergovernmental Conference, drafted by Mr. Giorgos Dimitrakopoulos (EPP/ED, Gr) and Mr. Jos Leinen (PES, D). The Parliament states that it considers that the agenda for the IGC adopted in Helsinki in December 1999 by the Heads of State and Government does not comply with the Amsterdam Protocol No.7 which calls for a comprehensive review of the provisions of the Treaties concerning the institutions in the light of the challenges of enlargement, and that it fails to satisfy the requirements of greater effectiveness and greater democratic legitimacy of the Union. It welcomes the commitment of the Portuguese Presidency to expand the IGC agenda and calls on it to pay the utmost attention to the proposals set out in the Parliament's resolution of 18.11.1999 and to those of the Commission and of the Member States in order to pave the way for an ambitious reform of the Treaty. Parliament objects to the excessively narrow agenda adopted in Helsinki which might well jeopardise the process of integration and calls for an open-minded approach on the part of the Council towards the Presidency's proposals to expand the agenda for the Conference. The EP welcomes the start of work on drawing up the Charter on fundamental rights for the people living in the Union and stresses its demand that the Charter be included in the Treaties. It stresses the need for transparency in the working methods of the IGC so that the citizens of the Union may be informed about the progress of work and of the major decisions taken by the Conference. Lastly, the Parliament believes that the final decision of the Member States should be submitted to it via the assent procedure.?

## Intergovernmental Conference IGC: revision of the Treaties, the financial interests and the European Prosecutor

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PURPOSE : to present an additional Commission contribution to the Intergovernmental Conference on institutional reform concerning, in particular, the reform of the Community courts. CONTENT : the Commission considers that one of the foundations of the European Union is and remains the fact that it is a Community based on the rule of law. Litigants - the citizens of Europe - must be in a position to count on a court system that guarantees the fair, coherent and effective application of Community law. In its Opinion to the Intergovernmental Conference of 26 January 2000 "Adapting the institutions to make a success of enlargement", the Commission announced that it would be preparing a specific contribution on the reform of the judicial system. In order to prepare the ground for this reform, in May 1999 the Commission set up a working party consisting of former Members of the Court and the Court of First Instance and high-level experts with first hand experience of the

Community judiciary, whose job it was to find solutions that could be introduced at once in the longer term. The Commission draws on it for many of its proposals in this document. The Court of Justice is an essential institution of the Union: its function is to ensure that the interpretation and the application of Treaty law is observed. In an enlarged Union it will be necessary to safeguard the effectiveness of the Community's judicial system and the consistency of its case-law, factors which are essential if Community law is to be applied uniformly in an increasingly diverse Europe. Enlargement will increase the volume of litigation and therefore the system will have to be reformed. By way of conclusion, the Commission proposes that the Conference: - clarify the role of the Court of Justice and the national courts in order to give the latter more extensive responsibilities in the handling of preliminary rulings; - redistribute jurisdiction between the Court of Justice and the Court of First Instance in relation to direct actions, so as to confine the role of the Court of Justice to questions considered essential to the Community legal order as the Union's supreme court, and give the CFI general jurisdiction in this respect; - adjust the role of the Court of Justice and the CFI in respect of certain special categories of cases; - provide that Judges will be appointed by the Council, acting by a qualified majority, with a system for verifying nominees' legal abilities; - consider the question of reforming the procedures for failure to discharge obligations; - determine the membership of the Court of Justice and the CFI in light of their caseloads.?

## Intergovernmental Conference IGC: revision of the Treaties, the financial interests and the European Prosecutor

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**PURPOSE** : to present the supplementary contribution of the Commission to the Intergovernmental Conference on institutional reforms relating to qualified majority voting for Single Market aspects in the taxation and social security fields. **CONTENT** : the Commission proposes to introduce qualified majority voting for instruments allowing the co-ordination of national rules or the introduction of minimum requirements in the areas of taxation and social security. As far as indirect taxation is concerned, where a significant degree of harmonisation has already been achieved, separate specific considerations apply. The perspective of enlargement up to 28 Member States constitutes an important increase in terms of numbers and diversity of national economies and legal systems. The number of players in the Single Market whether national or private will almost double. In addition, the performance gap between Member States' economies will also enhance diversity in the Single Market. The fact that an important number of new Member States will be undergoing long term structural changes means that the Union will be faced with an evolving environment. The three effects combined will tend to bring out and accentuate the remaining imperfections of the Single Market, notably in the areas of social policy and taxation. Uneven levels of application of Community law, incompatible national rules and distortions of competition may affect the Single Market in a way that requires co-ordinated responses on behalf of the Community. With the Economic and Monetary Union, the need for greater co-ordination of fiscal and structural policies has increased. In addition, globalisation has reinforced the potential spill over effects across Member States, which could distort the functioning of the Single Market. The Union can only cope with this challenge by enhancing the efficiency of its decision making process. Hence, the need for greater recourse to qualified majority voting, to the extent that it is necessary for the establishment and functioning of the Single Market. The switchover from unanimity to qualified majority voting will merely enhance the decision-making capacity of the institutions. The Commission proposes to the Conference that qualified majority voting should be introduced for: - adoption of coordinating provisions intended to remove a direct obstacle to the exercise of the four freedoms, and in particular to prevent discrimination and double taxation; - measures which modernise and simplify existing Community rules in the indirect tax area in order to eliminate distortions of competition; - measure which ensure a uniform application of existing indirect taxation rules and guarantee the simple and transparent application of such rules; - taxation measures which have as their principal objective the protection of the environment and have a direct significant effect on the environment; - adoption of provisions directly governing the levying of tax and aimed at preventing fraud, evasion or tax avoidance in order to eliminate cases of double non-taxation in cross-border situations and to prevent circumvention of existing provisions, particularly in the VAT field; - measures of co-ordination of social security schemes in order to facilitate the free movement of persons; - measures providing for minimum requirements which are necessary to allow for the effective exercise of the free movement of persons or to prevent distortions of competition through artificial lowering of social protection standards. In addition, the Commission proposes with a view to consolidating the Treaty and providing for more readily understandable provisions: - to widen the scope of beneficiaries of Article 42 EC over and above workers to include all persons exercising a right of free circulation and to allow the Council to extend wholly or partly the existing instruments to non-EC-nationals; - to include in the tax chapter measures on mutual assistance and co-operation between the tax authorities which would currently be concluded on the basis of a provision in another chapter of the Treaty.?

## Intergovernmental Conference IGC: revision of the Treaties, the financial interests and the European Prosecutor

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The committee adopted the report by Giorgos DIMITRAKOPOULOS (EPP/ED, GR) and Jo LEINEN (PES, D) containing Parliament's practical proposals for the intergovernmental conference (IGC). The report was based on a clear principle: the composition, functioning and balance of the Union's institutions (Parliament, Council and Commission) must reflect its "dual legitimacy" both as a union of peoples and as a union of states, as represented by the European Parliament and the Council respectively. In the light of this, the report covered a range of institutional matters regarded by MEPs as crucial if the Union was to function more efficiently and democratically. The committee advocated extending the use of qualified majority voting in Council to all legislative decisions and said that all matters decided by qualified majority in Council should come under the Parliament /Council codecision procedure. The unanimity requirement in Council should be limited to decisions of a constitutional nature. Parliament should, under the assent procedure, take part in the procedure for revising the treaties and this procedure should also be used for all international agreements relating to areas for which the codecision procedure was used internally. With regard to the weighting of votes in Council, the report said that Council measures requiring a qualified majority should be adopted if they secured the support of at least a simple majority of members representing at least the majority of the total population of the Member States of the Union (a "double majority"). Regarding the composition of the Commission, the committee opted for a two-stage solution: in the period 2005-2010 the Commission would be made up of one Commissioner per Member State; from 2010 it would consist of its President plus 20 other Commissioners. As to the procedure for appointing the Commission, the report proposed that Parliament should elect the President from among candidates put forward by the Council; the Commission President, in consultation with the Member States, should then appoint the other members of the Commission, ensuring that from 2010 it included a citizen of each Member State at least every other term of office. The report sought to safeguard the independence and the role of the Commission while strengthening the political role of the President. Thus, it wanted the President of the Commission, after deliberation by the College of Commissioners, to be able to ask the European Parliament for a vote of confidence; if a majority of MEPs refused to grant the vote of confidence, the Commission would have to resign. If, as a result of serious errors committed in the course of his/her duties, any Commissioner was asked by the President to resign, he/she would have to do so.

In addition, Parliament should have the right to ask the Court of Justice to compulsorily retire any member of the Commission under Article 216 of the Treaty. As regards the composition of Parliament, the report proposed that the number of Members should remain subject to an upper limit of 700 and suggested practical procedures for allowing for this even after enlargement. The report also called on the IGC to incorporate the EU Charter of Fundamental Rights into the Treaty so as to give it binding legal force, and to take steps to have the Union sign up to the European Convention on Human Rights. The IGC should also ensure that any person protected under the terms of the Charter was entitled to bring an action before the EU Court of Justice. Lastly, the report put forward specific proposals for simplifying and constitutionalising the Treaties, strengthening the Union's external role (as regards its legal personality, the institutional machinery of defence and security policy, etc.) and making decision-making procedures more democratic in the areas of economic policy and coordination of the latter with social and employment policies.?

## Intergovernmental Conference IGC: revision of the Treaties, the financial interests and the European Prosecutor

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In its first reading, the European Parliament adopted the resolution drafted by Giorgos DIMITRAKOPOULOS (EPP/ED, Greece) and Jo Lienen (PES, Germany) on the practical proposals for the forthcoming Intergovernmental Conference (IGC). The resolution covers proposals for reform to all institutions, as well as decision-making procedures. The main points are as follows: -the co-decision procedure and qualified majority voting (QMV) in Council should become the general rule for legislative procedure. The cooperation procedure still applying within the framework of Title VII of the Treaty (Economic and monetary policy) should be abolished and the codecision procedure should also apply to legislation under Title VI (Provisions on police and judicial cooperation in criminal matters) of the EU Treaty. -Parliament should be required to give its assent to the revision of the Treaties. -With regard to the weighting of votes in Council, Parliament proposed that Council measures requiring QMV should be adopted if they secure the support of at least a simple majority of Member States representing at least the majority of the total population of the Member States. -A verbatim report of Council meetings should be established and the Council should account for its decisions to Parliament. -With regard to the composition of the Commission, the resolution states that the total number of Commissioners should be either a fixed number of 20 or that it should be composed of one Commissioner per Member State provided that the role of President is strengthened and that an inner hierarchy is established which enables the Commission to operate efficiently. -Parliament should elect the President of the Commission, who could then appoint the members of the College in agreement with the Member States. The President should ensure that the Commission includes a citizen of each Member State at least every two terms of office. Each country could therefore propose a Commissioner in 5 Commissions out of 7. -The President may ask the Parliament for a vote of confidence. If this is not given by a majority of the members, the Commission should resign. -The President may require the resignation of any Member of the Commission guilty of serious misconduct. -Any Member of the Commission may be ordered to resign by the Court of Justice, also at the request of the Parliament, under the procedure laid down in article 216 of the EC Treaty. -With regards to the composition of the Parliament, it confirms the upper limit of 700 members and suggests practical arrangements for this during and after enlargement. -The Treaty should be amended to give the Parliament the power to decide on the location of its seat and its meetings. -Parliament and Council should lay down the requirements for recognition, the statute, and funding arrangements (including Community funding) for European political parties. Those which do not respect democratic principles and fundamental rights may have their funding suspended by the European Court of Justice. -On the Court of Justice, Parliament proposes that the jurisdiction of the court be extended to all matters covered by Title IV of the Treaty (Visas and asylum) and Title VI (police and judicial cooperation). -On constitutional matters, the IGC should incorporate the EU Charter of Fundamental Rights into the Treaty in order to give it binding legal force. -Parliament considers that the present pillar structure and intergovernmental cooperation no longer enable efficient and democratic decision making and that they should be progressively abandoned. The resolution also contains proposals for the Union's legal personality and strengthening its external role.?

## Intergovernmental Conference IGC: revision of the Treaties, the financial interests and the European Prosecutor

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CONTRIBUTION FROM THE ITALIAN DELEGATION CONCERNING THE SIZE AND COMPOSITION OF THE EUROPEAN COMMISSION  
In presenting its contribution, the Italian delegation stated that it was in favour of a strong, independent, democratic, dynamic and efficient European Commission. To achieve these objectives, it is therefore necessary to ensure the preservation of one of the distinctive features of the Commission's operation, namely that it is a 'college' and not a body composed of national representatives or delegates. Italy rejects the approach envisaged by some of having two categories of Commissioner, perhaps with different voting rules, because it would seriously harm the principle of collegiality and could well pose greater problems than it solved. Furthermore, the Commission's function as 'watchdog' is assured not by the fact that at any one time it has within it nationals of all the Member States, but rather by its independence, the expertise of its members and the transparency of its procedures. Italy considers that, even in the case of a Commission limited to 20 members, there should be further reinforcement, with specific provisions inserted in the Treaty, of the President's authority and power to give political guidance. For example, the President of the Commission could be given greater powers in the allocation of duties, while retaining the same voting power as the other Commissioners. The number of Vice-Presidents could also be increased so as to ensure that, in compliance with the principle of collegiality, the Commission's activities are coordinated. Lastly, amendments to the Treaty are probably necessary in order to include measures to increase the Commissioners' accountability. Regarding the individual accountability of the members of the Commission, it seems that the simplest, albeit not perfect, solution is the present one, that is the 'political' obligation of the Commissioner to resign if the President so requests, without providing for strict legal endorsement of this principle, which could involve sensitive problems relating to the nature of the appointment of a Commissioner by the Member States. As to the Commission's accountability to the European Parliament, the existing instrument of the motion of censure is sufficient. The argument for dissolving the European Parliament following a motion of censure against the Commission is not convincing: it would considerably weaken this instrument of democratic control, and it would severely undermine the institutional balances, with the resulting need for a broad rethink of the whole Community architecture. The fact remains that, in changed political circumstances, the present form of the instrument places the Commission in a weak position. Some thought needs to be given to this point: one approach might be to formalise the Commission's power to ascertain - following the investiture procedure currently laid down in the Treaty, and using a formula compatible with the inter-institutional balances - whether there is still a political consensus on the part of the European Parliament on the exercise of the Commission's prerogatives to initiate legislation and on its duties of implementing Community policies.?

## Intergovernmental Conference IGC: revision of the Treaties, the financial interests and the European Prosecutor

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In the framework of its new anti-fraud strategy, the Commission had confirmed its wish to strengthen the protection of the Community's financial interests. Fraud and other irregularities will increase as the number of Member States and the number of operators and administrations involved in the management of Community funds rise. Against this background, the powers which this Communication proposes should be vested in a European Public Prosecutor and would be limited strictly to the protection of the Community's financial interests as already defined and circumscribed in Article 280(1) of the EC Treaty. Only the essential characteristics of the office would be laid down in the Treaty (appointment, removal, duties and independence), leaving the rules and mechanisms governing its operation to be regulated by secondary legislation. The Commission proposal to the Intergovernmental Conference is based on detailed preparatory work. It recommends the creation of a unified Community law-enforcement area as regards the preparatory stages of court proceedings precisely by the harmonious insertion of in the national systems of a European Public Prosecutor, excluding any communitarisation of the administration of criminal justice. The organisation would be highly decentralised. The European Public Prosecutor would be supported by Deputy European Prosecutors in the Member States so as to secure the link between the Community mechanism and national legal systems. The Commission proposes that the European Public Prosecutor be appointed by the Council, acting by a qualified majority on a proposal from the Commission with the assent of the European Parliament. Regarding the term of office, the Commission proposes a non-renewable term of six-years and stresses his independence as a judicial officer. With regard to the conditions for the exercise of the European Public Prosecutor's functions, a specific mechanism confined to activities detrimental to the Community's financial interests is necessary to ensure smooth operation in terms of both substantive criminal law and criminal procedure. These rules should be adopted by the Council by the co-decision procedure. In conclusion, the Commission proposes that the Conference supplement the current provisions concerning the protection of the Community's financial interests with a legal basis allowing: - the appointment of an independent European Public Prosecutor exercising the prosecution function in the courts of the Member States in the field of the protection of the Community's financial interests and within the framework of specific rules adopted for this purpose; and - the subsequent adoption through secondary legislation of: - the regulations applicable to his office; - rules of substantive law concerning the protection of financial interests by the European Public Prosecutor (offences and penalties); - rules governing criminal procedure and the admissibility of evidence; - rules concerning judicial review of actions taken by the Public Prosecutor in performance of his duties.?

## Intergovernmental Conference IGC: revision of the Treaties, the financial interests and the European Prosecutor

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This Communication describes the amendments to be made to the Treaties and outlines certain separate adjustments that could be made to the Commission's working procedures. A distinction must be drawn between the matters considered here relating to the structure and organisation of the Commission's proceedings and the internal reform process under way since the present Commission took office. Those reforms are concerned with modernising and improving the workings of the administration and must be carried out regardless of the number of Members of the Commission. 1) Amendments to the Treaties: The main features of the Commission's internal organisation are determined by its rules of procedure. However, amendments to the Treaties are needed with respect to the following: - to enhance the President's capacity to organise the Commission's proceedings and to confer new powers on him or her to that effect. This refers to the allocation of portfolios and departments to Members of the Commission as well as the appointment of Vice-Presidents from among members of the Commission; - that the political commitment given by the Members of the present Commission to resign if asked to do so by the President; - giving the President a casting vote in deliberations would confirm his or her power to direct policy; - to confirm the use of the empowerment procedure, already standard practice under the Commission's Rules of Procedure. 2) Separate adjustments to the workings of the Commission: Beyond the current change in the activities of the Commission, any reorganisation of its proceedings should pay special attention to the following aspects: - the preparation of Commission meetings; - the frequency of Commission meetings; - the role of groups of Ministers; - the role of Vice-Presidents. In conclusion, the guidelines outlined above are for illustrative purposes only.?