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# STRUCTURE AND FUNCTION OF THE COMMUNITY INSTITUTIONS.

## THE DECISION-MAKING PROCESS FOR AGRICULTURE-RELATED MATTERS

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### INTRODUCTION

#### 1. The importance of agriculture-related matters to Community institutions

##### a) CAP:

- A whole sector of production is covered by a Common Policy
- It is the most complete Common Policy of the EU
- The existence of the CAP necessitates the transfer of significant powers from the national governments to EU Institutions (the decisions are taken in Brussels and not in the capitals of the Member States)
- The CAP deals with issues that touch on the domains of all the Institutions (all the Institutions are involved to a lesser or greater extent).

##### b) The CAP also assumes a Common Trade Policy. The relevant measures affect:

- External trade
- External relations
- External development assistance policy

##### c) The CAP is based upon Community solidarity. Hence, the following are influenced:

- Management Regulations for funding of the CAP
- The level of the Budget, 50% of which is devoted to the financing of the Agricultural Guarantee and Guidance Fund (65-70% in the eighties)
- Fiscal (the special treatment of farmers in the application of VAT) and Monetary Policy (agrimonetary measures)

##### d) The agricultural sector is also affected by Social Policy (employment etc.) and plays an important role in promoting the target of «Economic and Social Cohesion»

##### e) The CAP is closely connected with the Environmental Policy

## 2. The three Communities

### a) European Communities:

- European Economic Community (EEC)
- European Coal and Steel Community (ECSC)
- European Atomic Energy Community (EAEC)

b) Up to 1967: Each Community had its own Council and its own Commission.

c) Revision of the Treaties in 1967: The three Councils were merged to form one, as were also the three Commissions. Unified Institutions were established.

d) However, in this initial stage, the three Communities were not merged institutionally, so as to be governed by one Treaty replacing the Treaties of Paris (ECSC) and Rome (EEC and Euratom).

e) The subsequent enlargement (UK, Ireland and Denmark in 1973, Greece in 1981, Spain and Portugal in 1986) has not changed the structure and domains of the Community Institutions. It has only brought about changes in their composition.

f) The three Communities were merged in 1992, and governed by the Treaty of Maastricht. According to Article A of the latter, the Member States decided to establish a European Union (replacing the previous Communities), while the term «European Economic Community» is replaced by «European Community» (Article G).

## 3. The basic Institutions of the Community :

- i) European Council (Summit)
- ii) Council of Ministers
- iii) European Commission
- iv) European Parliament
- v) The Court of Justice of the European Communities
- vi) European Court of Auditors
- vii) Economic and Social Committee
- viii) Committee of the Regions
- ix) European Investment Bank

Following the ratification of the Treaty of Maastricht, a new institution is envisaged (within the framework of the EMU):

- x) European Central Bank

Other Agencies and Bodies of the EU scattered throughout the Member States:

- European Monetary Institute (EMI) in Frankfurt.
- Patents Office.
- European Agency for Safety and Health at Work - Spain.

- European Centre for Drugs and Drug Addiction - Lisbon.
- European Centre for the Development of Vocational Training - Thessaloniki.
- European Environment Agency - Copenhagen.
- European Agency for the Evaluation of Medicinal Products - London.
- European Bank for Reconstruction and Development - London.
- Narcotics Service EUROPOL - the Hague.
- European Training Foundation - Torino, Italy.
- European Foundation for the Improvement of Living & Working Conditions - Dublin.
- Office for Harmonization in the Internal Market - Alicante, Spain.
- Community Plant Variety Rights Office - France (closely related to agriculture).
- Translation Centre for Bodies in the EU - Luxembourg.

The Institutions of the EU issue:

- a) **Regulations:** These have general enforceability. They are directly applied in all their parts and are immediately enforceable in each Member State, without the need for national measures to implement them.
- b) **Directives:** These are binding for the Member States where the objectives to be achieved are concerned. However, they leave the national authorities the power to choose the form, the measures and the means to be used for the attainment of the objectives.
- c) **Decisions:** These are addressed to governments, businesses and/or individuals. They are binding in all their aspects upon those towards whom they are addressed.
- d) **Recommendations:** These are formulated mostly by the Commission. They are mandatory as to the target they determine, but allow those towards whom they are addressed to choose their own methods for the achievement of the desired objective.
- e) **Opinions:** These are formulated by all the Institutions, but mainly by the Commission and the European Parliament. Such opinions are not binding upon those towards whom they are addressed.

#### *1). European Council (Summit)*

The European Council consists of the Heads of State and Government, with the participation of the foreign ministers, the President of the Commission and the President of the European Parliament who is invited to make a presentation at the opening session. Expert advisers or other officials do not take part in meetings.

In December 1974, together with the decision to conduct direct elections of the members of the European Parliament, it was decided that the European Council would meet informally, at least

twice a year, in the form of a «European Summit». The Summit meets under the initiative and responsibility of each respective Presidency.

#### **Authority of the European Council:**

- It determines the political direction taken by the Union. It defines the general orientation on issues of major importance for the Union (e.g. the reform of the C.A.P, the funding of policies, European Monetary System, enlargement of the Union etc.).
- It determines priorities. It does not take decisions, it is not a substitute for the Council of Ministers. The Ministers and/or the Commission «appeal» to it if they are unable to resolve contentious issues that have proved too difficult. Its choices are purely political.
- It provides impetus for new action (e.g. EMU). However, the discussions are not of any institutionalised character. There is an interval between the results of a Summit meeting and their application, exactly because its status lies outside the realm of institutional proceedings.
- It promotes discussion on issues of political co-operation among the 15, together with intra-Community issues.

Note: In the Amsterdam European Council (June 1997) a decision was taken, in the light of the eastward enlargement, for the creation of a multilateral forum of co-operation in the form of a **European Conference**.

This forum will meet each year at the level of Heads of State or Government (and, where necessary, ministerial level) of the Member States of the Union and "all those European countries aspiring to membership and linked to it through an association agreement". The President of the Commission will also participate.

The Conference will provide an opportunity for consultations on a broad range of issues arising in the areas of the Common Foreign & Security Policy and Justice & Home Affairs.

## **II) The Council of Ministers**

This constitutes the executive hand of the European Council and it is the body which takes the final decisions on every matter, by legislating for the Union.

### *a) Composition:*

The body is composed of the Representatives of each Member State, usually Ministers (as active members of each government) responsible for a particular portfolio. Thus, there are different types of Council meetings: General Affairs (Council of Ministers for Foreign Affairs), Economy & Finance (ECOFIN), Agriculture, Environment, Transport, and so on. However, the body, irrespective of its composition, is a uniform entity and there is no statutory hierarchy. In votes, the Minister responsible can only be represented by a Substitute who is another member of his Government, or by the Minister of another Member State. The Ministers are usually accompanied by members of their staff.



The Commission also participates in the meetings, represented by the appropriate Commissioner, as does the Secretariat of the Council, which is in attendance upon the Presidency.

#### *b) Presidency*

The Presidency is exercised by each Member State for a six-month period, in rotation and in alphabetical order (usually, but not invariably), assisted by the Secretariat which is based in Brussels.

#### *c) Meetings of the Council of Agricultural Ministers*

This type of Council meets regularly once per month in Brussels (and in a special session when it is necessary) after invitation by the President (or after a proposal of one of its members, or of the Commission). In the months of April, June and October the meetings take place in Luxembourg (Decision 93/662/EK "Internal Regulations of the Council").

The planning of the meetings is the domain of the Presidency and takes place at the beginning of every six month period. The ordering and inclusion of items in the Agenda of each meeting is the sole domain of the President, with the co-operation of the Secretariat. However, items of interest to the Member States or the Commission can be included in the Agenda, following an appropriate request which is made 14 days prior to the meeting. In addition, at the beginning of the meeting and before the adoption of the Agenda, an item can be added, on request, for discussion under "Miscellaneous", without however any relevant decision being taken (except if there is a unanimous agreement on a decision).

The Agenda is divided into parts A and B. Points which have been discussed and agreed at a lower (technical) level and require only their typical adoption by the Council, are put down in part A, without any further discussion. However, a Member State or the Commission may require certain statements to be recorded in the Proceedings.

Once in a six-month period, an Informal Meeting of the Council also takes place in the territory of the Member State which currently holds the Presidency. However, decisions which are enforceable by legislation are not made at these informal meetings. They are binding upon the participants only at a political level.

#### *d) Decision-making procedure*

CAP is among the policies (together with transport, environment, energy, R&D, etc.) which are covered by "Pillar One" of the Union's activities. According to the Maastricht Treaty on European Union., in the vast majority of the above policies decisions are taken by a qualified majority vote, on the assumption that they are based on relevant proposals submitted by the Commission. (Those policy areas in Pillar One which remain subject to unanimity include taxation, industry, culture, regional & social funds and the framework programme for research & technology development).

When a proposal is submitted by the Commission, the Agricultural Council entrusts the COREPER or most usually the "Special Committee of Agriculture" (see below) with the making of the relevant preparations so that the subject comes for a decision at a later stage. Usually the SCA asks for a detailed examination of the proposal by experts who compose an ad hoc

"Working Group", the members of which are also representatives from the administration of each Member State. The national experts together with the Commission mainly examine the technical aspects of the proposal and usually they identify the points of difference or of political importance, which are for the Ministers to decide. Then, it is the Council as a body that can either adopt the Commission proposal, amend it or ignore it.

Number of votes per Member State:

Germany, France, Italy, UK :	10 votes each x 4 = 40
Spain :	8 votes = 8
Belgium, Greece, Netherlands, Portugal :	5 votes each x 4 = 20
Austria, Sweden:	4 votes each x 2 = 8
Denmark, Ireland, Finland:	3 votes each x 3 = 9
Luxemburg:	2 votes = 2
<hr/>	
Total (unanimity) = 87 votes	

The weighting of each Member State has been determined on the basis of demographic and economic criteria. Actually, however, on the basis of the number of votes allotted to each Member State, all the Community Institutions operate today in favour of the members with a small population.

In accordance with Article 148 of the Treaty and after the last accessions, the "qualified majority" is formed inasmuch as 70 % of votes are gathered (62 votes as against 54 votes prior to 1995), on the assumption that the decision is taken on a proposal made by the Commission.

Without a proposal by the Commission, **unanimity** is required.

Consequently, in order for a proposal to be rejected, 26 votes are sufficient (as against 23 votes prior to 1995). If, however, the members who declare their opposition to take a decision by qualified majority represent a total of 23 to 25 votes, the so-called "Ioannina Compromise" adopted in 1994 is brought into force. That is, the Presidency continues its efforts, until, through consultations, it arrives at a result which will be satisfactory enough to gather at least 65 votes.

In practice, however, it is true that the Council tries to reach the widest possible consensus before taking a decision.

It should be noted that for those proposals which are related to the integration of the internal market (harmonisation, consumer affairs), the qualified majority is not enough. According to the Single Act of 1985, the **concurrent opinion** of the European Parliament is also required. Without this, unanimity is required for the adoption of the proposal. Moreover, the 1992 Treaty enforced the sharing of the European Parliament in a **co-decision procedure**, under which a wide range of legislation is adopted both by the Parliament and the Council.

It is clear from the above that the right of "Veto" on CAP issues is not safeguarded institutionally. However, on the basis of a political compromise which dates from 1967 (known as the "Luxemburg Compromise"), a Member State has the possibility to invoke "a vital national interest", on the basis of which the Council is obliged to proceed with further discussions in an

attempt to find a solution. If a satisfactory solution is not found for the Member State concerned, the invocation of “vital national interest” is not binding upon the Council.

From 1985, in principle, decisions have been taken by qualified majority vote, with a scant use of the above right.

*e) Bodies concerned with the preparation of the Council*

Each Member State is represented permanently in Brussels by its national delegation. The heads of the Permanent Representations, who are normally high-ranking senior diplomats, form a body called “The Committee of Permanent Representatives” or COREPER., the aim of which is to prepare the ministerial sessions.

COREPER meets regularly on a weekly basis and is divided into two bodies:

- \* COREPER I ( Head Deputies): dealing mainly with matters of the internal market, the Budget (including the financial implications of agricultural proposals) etc.

- \* COREPER II (Heads of Permanent Representations): dealing exclusively with political decisions and never with agricultural matters.

The Agricultural Council is prepared exclusively by:

- \* The Special Committee for Agriculture (SCA). This body also meets weekly and consists of senior officials (members of the Permanent Representations) who act as “spokesmen” for their respective Ministers. It deals with all matters related to the CAP. Typically, it operates under COREPER I, but is actually an independent body.

The main task of COREPER and SCA is to ensure that only the issues of purely political nature are dealt with at ministerial level. Normally, therefore, a great number of proposals are agreed at SCA or COREPER level. In such cases, the issues agreed are included in a special list of items for the typical approval of the Council, without discussion (section “A” of the Agenda).

In cases where a decision on a certain issue is urgently required and the session of a Council is not planned within the necessary time limits, the so-called “written procedure” is followed.

The above-mentioned bodies are assisted by Working Groups consisting of national experts who meet on an ad hoc basis, according to the item of the Agenda which is under examination.

The General Secretariat of the Council provides the intellectual and practical infrastructure at all levels. It is considered as a continuity to the Council proceedings and has the custody of Council acts and archives. Its Legal Service advises the Council and Committees on legal matters. The Secretary General is appointed by the Council after unanimous agreement.

*f) Committees/Special Interest Groups of the Council*

- \* Committee of Article 113.

This deals with issues of Trade policy (including the trade in agricultural and food products, as well as with Multilateral Trade Negotiations on agriculture)

- \* AGRIFIN Group (agricultural finance)



This is a “permanent” Working Group of the Council. It meets regularly, once per month. Its duties are:

- It examines the financial consequences of the measures which are related to agricultural expenditure and submits its conclusions to the COREPER and the SCA.
- It examines the report of the “early warning system” by the Commission. (This is a compulsory procedure in accordance with the rules of “financial discipline”, in a case where the limit of financial expenditure is exceeded)
- It examines the financial situation of the Agricultural Fund - FEOGA (both in its entirety and line by line per sector of production) and compares it with the structure of expenditure
- If the expenditure exceeds the appropriations available, it examines the measures taken by the Commission to correct the situation and, if necessary, it advises the undertaking of additional necessary measures
- If one line or the whole of the budget presents a surplus, it examines the reasons which led to the surplus and, inasmuch as they were predictable, it draws conclusions with a view to the preparation of the budget in the following years
- It examines the elements concerning the ECU/dollar parity and its consequences for the monetary reserve
- It examines the financial implications of all the Commission proposals submitted to the Council.

### *III) The European Commission*

As an Organisation, the Commission, with its staff of 15,000, is the largest of the Union's Institutions. It is based in Brussels, divided into 26 Directorates-General (D.Gs.) with about 15 additional specialised services. Each DG reports to a Commissioner who has the political and operational responsibility for the work of the DG.

#### *a) Composition of the Body*

The “College of Commissioners” is constituted, in total, by 20 members. At present, there are two members each from Germany, France, Italy, the UK and Spain, and one member from each of the remaining 10 States. Term of office of the Commissioners: 5 years.

From the moment the Commissioners are appointed, they are fully released from all their obligations towards the Member States from which they originate. They are obliged to be completely independent of their national Governments and to act only in the interests of the Union.

After political consultations, in particular with the European Parliament, the President is chosen by the Heads of State and Government at a European Council meeting. The other members of the Commission are nominated by the 15 Governments in consultation with the incoming President.

In the first meeting of the "College", the election of Vice-Presidents takes place. At the same time, duties and topic areas are allocated to all the Commissioners (according to the structure of the Organisation). The Commission meets once a week to conduct its business. However, the full Commission has to be approved by the European Parliament before its Members can take office.

The Commissioner for Agriculture has authority over all the matters touching upon the Common Agricultural Policy (except for Fisheries, the Common Policy of which justifies a separate DG and is assigned to another Commissioner).

Among the services of the Commission's Organization, DG VI (Agriculture) is the main one which deals with all the agricultural matters deriving from the Common Agricultural Policy.

#### *b) Authority*

The main role of the Commission is identified by the following three distinct functions.

##### 1. Guardian of the Treaties

- The Commission ensures the observance of the EU rules and principles and the proper functioning of the Single Market. In other words, it oversees the correct application of the Union legislation (provisions of the Treaty and decisions taken by the Institutions).
- The Commission is impartial. Any breach of the Treaties is pursued by Commission action, including legal proceedings at the Court of Justice. The Commission's services may ascertain the violation made by a Member State (administration, organisations, firms, individuals), either on their own initiative or after accusations made by:
  - Governments
  - Organisations, institutions, firms
  - Individuals.

In these cases, the Commission summons the Member State accused to submit its within a limited deadline, normally a two-month period.

If the reply is insufficient in nature, the Commission issues a **justified opinion**, with which the Member State is obliged to comply within a fixed time-limit.

After the expire of the time-limit and in a case of non-compliance, the Commission may send the case to the Court. The decision of the latter is binding for the Member State and the Union Institutions.

e.g. in 1987: - 572 cases of violations were ascertained

- 192 justified opinions were given

- 61 were taken to the Court

The free circulation of agricultural and other products in the Single Market and the rules for the Common Organisations of the Market are the main reasons for the operation of the violations procedure.

##### 2. Manager and Negotiator

The Commission ensures the implementation of the Treaty, which gives direct responsibilities to the Commission. In addition, the Council of Ministers extends various other powers to it, in order to ensure the implementation of Decisions taken on the basis of the Treaty (*Acquis*). Since 1988, this assignment has proved to be a rule.

As the executive hand of the Union, the Commission:

- Takes applicable measures according to particular provisions of the Treaty, or it makes rules which fill in the details of Council legislation. Every year, about 4,000 applicable Commission Regulations are issued, most of which are concerned with the Common Agricultural Policy.
- In particular cases, it enforces the competition rules of the Treaty through measures which are of special interest to certain governments or individual firms, i.e. regulating mergers and acquisitions above a certain size, imposing control or abolition of public/national aid or of tax discrimination etc.
- By applying the clauses of the Treaty, either on its own initiative or after a request from a Member State, it can introduce preventative measures for a limited period to protect the Community market from dumping by third countries, i.e. by imposing restrictive measures on imports.
- In exceptional cases and for a limited period of time, it may permit certain deviations from the rules, i.e. to face certain difficulties arising from a new accession or to make concessions on quotas. Generally, the management of such exceptions has been placed in the hands of the Commission. The latter also has the discretion to bring the case to the Council, asking for the sanctioning or amendment of the measures taken. In recent years, however, the number of deviations has been strictly limited.
- It manages the Union's Funds:
  - \* Agricultural Fund (EAGGF, or FEOGA) which today continues to cover 50% of the total budget
  - \* European Regional Development Fund (ERDF)
  - \* European Social Fund (ESF)
  - \* European Development Fund (EDF), for the implementation of the Lomé Convention.
- It negotiates trade and co-operation agreements with other countries or groups of countries and represents the Union in the Multilateral Trade Negotiations (GATT/WTO), according to guidelines given by the Council.

### 3. Initiator of Legislation

This is perhaps the most crucial function of the Commission, since the whole legislative process of the Union begins with a Commission proposal. In general, Community Law cannot be made without such a proposal. In this framework, the Commission:

- Introduces the issues upon which the Council decides by a qualified majority vote
- Takes the initiative in putting forward new policies



- Works out the provisions which must be applied by the EU, in accordance with the Treaty.

In devising its proposals, the Commission has three constant objectives:

- To identify the European interest as a whole
- To consult governments, industry, trade unions, special interest groups & technical experts before completing its final draft
- To respect the principle of subsidiarity, as enshrined in the EU Treaty.

#### *c) The machinery of the Commission*

The Council has ensured that the powers that were given to the Commission are exercised in close co-operation with the governments.

In the Single European Act (1987) the codification of the system of committees was envisaged (comitology).

There are mainly 3 types of **committees** acting as instruments of the Commission, which convene after an invitation of the latter, normally on a permanent basis; representatives/experts from the Member States take part. The Presidency is always exercised by the Commission.

#### 1. Management Committees (MCs)

These are the most well-known type of committees, created in 1962, immediately after the introduction of the first COMs. There is an MC for each sector of production covered by a COM (e.g. MC for cereals, MC for sugar, MC for dairy products). Normally, in each MC, matters such as export subsidies, the timing of intervention procedures, import levies etc. are discussed (before they are published as Decisions of the Commission).

The task of these committees is to give an opinion on measures which the Commission intends to take, without however the opinion being binding for the Commission.

Specifically, the following voting procedure is applied:

- \* 62 votes for a proposed measure = favourable opinion
- \* 62 votes against a proposed measure = unfavourable opinion
- \* Intermediate number of votes = blank = non-opinion

In cases of a favourable opinion or non-opinion, the decision is definitive and cannot be the object of an appeal to the Council. In case of an unfavourable opinion, the issue is sent to the Council, which may, within one month, amend the decision of the Commission. If the time-limit passes with no avail, the Commission has the right to stand by its Decision.

This procedure is rare, however, for the reason that it is difficult for the Commission to have a majority of votes against itself (given that, as a rule, its actions in fact express the common interest). In 1987, for example, out of 2,089 voting held, 1,925 resulted in a favourable opinion, 146 were blanks, and only 18 resulted in an unfavourable opinion.

There are about 350-400 meetings of the Management Committees which take place annually, after which about 2,000-2,500 Commission Regulations are issued.



## 2. Advisory Committees

These operate in almost the same way as the MCs. They constitute a forum for consultations between the Commission and the Member States, so that active trends and tendencies can be taken into consideration, but the opinions expressed are not binding on the Commission.

A regular task of these committees is to assist the Commission in the management of resources (e.g. EAGGF/FEOGA Committee, Standing Committee on Agricultural Structures). The committees normally meet twice a month.

Issues or actions to be taken concerning the integration of the internal market are also sent to the Advisory Committees.

Within the domain of the Advisory Committees there is, also, a special procedure to be followed (which, theoretically, constitutes a fourth type of committee). By means of an urgency procedure, an Advisory Committee gives opinions on issues relating to measures of trade policy or to the application of trade clause measures. These are taken by the Commission and have an immediate validity. In such cases, the Council has to give its assent to the decisions taken within a period of three months, otherwise they become invalid.

## 3. Committees for Regulatory Arrangements

These result from the interference of a Management Committee in other sectors (management of the Common Customs Tariff, harmonisation of legislation on veterinary, plant and animal nutrition, plant and food health, environment-related issues, etc.).

The procedures followed resemble those applicable to the MCs, but they provide more possibilities of appeal to the Council.

Specifically, if the Commission does not obtain a favourable opinion, it is obliged to submit its proposal to the Council, on the basis of which the latter can decide by means of a qualified majority vote, but within a particular time-limit (normally three months). If the time limit passes without action, the Commission can publish its own decision on the issue. By the same token, in a case where the Council has discussed the issue and has rejected categorically the proposal of the Commission (without taking another decision), the Commission cannot take a decision, but is obliged to submit a new proposal.

## **IV) *European Parliament***

Since 1979, the year in which the first European elections were held, the members of the European Parliament have been directly elected to represent the 370 million citizens of the EU, for a five year period.

### *a) Composition*

Following the latest enlargement of the Community, the Parliament consists of 626 elected representatives, who originate (on the criteria of the population figure for each Member State) from:

Germany	:	99
France, Italy, UK	:	87 members x 3 = 261
Spain	:	64
Netherlands	:	31
Belgium, Portugal, Greece	:	25 members x 3 = 75
Sweden	:	22
Austria	:	21
Denmark, Finland	:	16 members x 2 = 32
Ireland	:	15
Luxemburg		6
Total:		626

However, the members of the European Parliament constitute political and not national groups. 20 Parliamentary committees work within its framework covering all areas of the Union's activities, as follows:

1. Foreign Affairs and Security
2. Agriculture and Rural Development
3. Budget
4. Economic, Monetary and Industrial Policy
5. Energy, Research and Technology
6. External Economic Relations
7. Legal Affairs and Citizens' Rights
8. Social Affairs, Employment and Working Environment
9. Regional Policy, Regional Planning and Relations with Regional and Local Authorities
10. Transport and Tourism
11. Environment, Public Health and Consumer Protection
12. Culture, Youth, Education and the Media
13. Development and Co-operation
14. Civil Liberties and Internal Affairs
15. Budgetary Control
16. Institutional Affairs
17. Rules of Procedure, the Verification of Credentials and Immunities
18. Women's Rights

## 19. Petitions

## 20. Fisheries

*b) Powers*

Originally, the European Parliament did not have significant legislative authority. The Treaty of Rome (1957) gave it only consultative powers, allowing the Commission to propose and the Council of Ministers to decide legislation. Since the Single European Act (1987), the Parliament's influence has increased, sharing the power of decision with the Council in a large number of areas. However, always has the ability to pronounce on all matters concerning Europe in its plenary sessions in Strasbourg, which are open to the public, and at which representatives of the Commission and the Council of Ministers (of the country which holds the presidency) are present.

The most important powers are summarised as follows:

1. It approves the Commission before its Members can take office. It can pass a motion of censure on the Commission by a two-thirds majority and bring about its resignation en bloc (a power which has never yet been used).
2. It scrutinises the Commission through a close examination of the many monthly and annual reports which the Commission is obliged to submit to the Parliament. It therefore exercises vigilance to ensure that the Commission maintains its role of expressing the Community interest. The Commission is accountable only to the Parliament, a fact which ensures its independence and impartiality.

In that respect, the Members of the Parliament may put written and oral questions to the Commission and they regularly interrogate Commissioners at "Question Time" during plenary sessions and at meetings of parliamentary committees.

3. It takes into account the programme and the results of each Presidency. At the beginning of a Presidency, the President of the Council presents his/her programme and reports on the results of each European Council and on progress in the development of foreign and security policy. Ministers attend plenary sessions and take part in important debates during the "Question Time".

#### 4. Legislative authority

- a) The **consultation procedure** requires an opinion from the Parliament before a legislative proposal from the Commission can be adopted by the Council. This procedure applies to nearly all the items which (amongst other things) touch upon the Common Agricultural Policy.

When the Commission puts forward a proposal to the Council for decision, it is obliged to seek consultation with the Parliament. The proposals cannot be adopted by the Council before the Parliament has expressed its opinion. By the same token, the Council is not bound by the contents of the opinions which result from the consultation procedure.

b) The **co-operation procedure** (Commission - Council - Parliament) is defined by the Act of European Union. On the basis of this, the powers of the Parliament were well reinforced. This procedure requires the Commission and the Council to take into consideration amendments suggested by the Parliament, in items of internal market (harmonisation of legislation, a subject which also affects the agricultural sector in veterinary & food health, plant & animal nutrition etc.), research, environment, the European Regional Development Fund, economic & social cohesion, overseas co-operation & development etc.

The procedure involves two readings in Parliament. In cases where the amendments suggested are ignored, the Council cannot reach a decision by a qualified majority, but only through unanimity.

c) The **co-decision procedure**, established by the Maastricht Treaty, strengthens even more the powers of the Parliament. Under this procedure, the Parliament shares decision-making power equally with the Council. A so-called **conciliation committee** (made up of equal numbers of members of Parliament and of the Council) seeks a compromise that both bodies can subsequently endorse. If there is no agreement, Parliament can reject the proposal outright.

The Co-decision procedure, though complicated, applies to a wide range of issues, especially those arising from the horizontal policies such as consumer protection, education, culture, health and trans-European networks. However, in the case of the Agricultural Policy, the situation remains the same as before. The Maastricht Treaty was not embarked upon through Article 43, nor through the agricultural sector in general. The European Parliament, however, has acquired a new power to make up committees of enquiry. This means that disputed matters of the CAP can be placed under public control.

##### 5) Budgetary powers

Finally, the European Parliament has significant powers where Community finance is concerned, since it agrees the Union's budget each year. Under the budgetary procedure, the Parliament can propose modifications and amendments to the initial proposals of the Commission and the position taken by the Council. Therefore, it can adopt or reject the budget proposals, after repeated readings.

Where the agricultural budget is concerned, the Parliament can propose amendments to the obligatory expenditure and costs (those arising of necessity from Community legislation). The amendments are accepted inasmuch as they do not increase the amount of the total expenditure in the guideline, except when the Council rejects them with a qualified majority.

Where the non-obligatory expenditure and costs (arising mainly from international agreements) are concerned the Parliament has the last word. On other expenditure arising from ESF, ERDF, or from horizontal policies (environment, education, culture), the Parliament decides in close co-operation with the Council, not only on the amendment of its distribution, but also on increases in its volume (within a particular upper limit).



### *V). The Court of Justice of the EC*

The role of the Court is to provide the judicial safeguards necessary to ensure that the law is observed in the interpretation and application of the Treaties and, generally in all of the activities of the Union.

#### *a) Composition*

The European Court of Justice is composed of 15 judges, one from each Member State, and 9 Advocates General. They are appointed by the governments of the Member States by common accord and their tenure of office is for 6 years.

The judges elect the President of the Court from among their number for a term of 3 years. The President directs the work of the Court and presides at hearings and deliberations.

The task of the Advocates General is to deliver independent and impartial opinions on cases brought before it.

In 1989 the **Court of First Instance** was established, consisting of 15 judges appointed by the Member States.

#### *b) Jurisdiction*

Broadly speaking, the Court acts in the following two types of cases:

- Those concerned with ensuring the maintenance of Community law
- Those concerned with the interpretation of the Community Acts.

In the first case and after a request by a national court or tribunal, the Court of Justice may give its interpretation on any issue arising from Community law in order for a judgement to be made.

In the second case, it may be requested by a Community Institution (mainly by the Commission) or a Member State or companies or even individuals with direct interest, to pronounce a judgement concerning the legality and/or the interpretation of the precepts of Community law.

In both cases, the Court rules exclusively on matters of Community Law. Within this framework the European Court of Justice may:

- Abrogate an act of the Council, the Commission or a Member State which is considered incompatible with the Treaty.
- Give an authoritative interpretation of Community acts in answer to an interlocutory question from a national court.

The decisions of the European Court are binding against all Community Institutions, Member States, national courts, companies and individuals, and take precedence over those of the national courts.

### *VI). European Court of Auditors*

The European Court of Auditors is considered to be the taxpayers' representative, responsible for checking that the Union spends its money according to its budgetary rules and regulations,

and for the purposes for which it is intended. It guarantees that administrative and accounting principles are respected.

The Court of Auditors is composed of 15 members appointed by the Council (after proposals from the Member States) and their tenure of office lasts for 6 years.

Its main functions, which are performed with complete independence, are the following:

*a) Obligatory consultation (articles 209 EEC & 183 EAEC)*

It gives its opinion (in Council, before deciding on a Commission proposal):

- On budgetary regulations
- On methods by which revenues for the budget are collected or on the methods used to satisfy budgetary needs
- On the organisation of the responsibility for the dispositions and accounting.

*b) Non-obligatory consultation:*

If a proposal of the Commission includes items concerning with the budget which are outside the above framework, the Commission may recommend to the Council that consultation is made with the Court of Auditors.

Broadly speaking, the Court of Auditors:

- Audits the accounts of all the Community institutions
- Examines the legality of expenditure and revenues and issues the relevant reports
- Has the ability to make on-the-spot audits of the actions funded by the Community Budget.

## **VII). Economic and Social Committee (ESC)**

The role of this Institution is purely consultative. It is composed of representatives from various social and economic activities (employers, workers, the self-employed etc.). There are 222 members, proposed by the governments, comprising:

France, Germany, Italy, UK	: 24 members each
Spain	: 21 member each
Belgium, Greece, Netherlands, Portugal, Sweden, Austria:	12 member each
Denmark, Ireland, Finland	: 9 member each
Luxemburg	: 6 member each

According to the Treaty, the Committee is obliged to give an opinion to the Council or the Commission on certain legislative items. However, since 1972, the Committee has had the right to give its view on any matter of Community interest.

*VIII). The Committee of the Regions*

The Institution was created recently by the Maastricht Treaty. It reflects the desire of the Member States to involve regional and local authorities in the development and implementation of EU policies on matters that directly concern them directly. The body is composed of 222 members who represent the local and regional authorities.

It gives an opinion on regional matters concerning spatial planning (agriculture, hunting, fisheries, marine environment & upland areas), regional development, land use planning, environment, energy, education & training, economic & social cohesion, transport, etc.

*IX). The European Investment Bank*

This is the EU's financing Institution which provides loans for investments, promoting balanced economic development and integration. The loans go to projects which fulfil certain objectives, among which are:

- The strengthening of economic progress in the less favoured areas
- The protection of the environment and the quality of life
- Safeguarding the architectural heritage
- The improvement of trans-European networks.

It also provides loans to certain third countries (ACP of the Lomé Convention).

**REFERENCES**

The Treaties of Rome, the Single European Act, the Treaty of Maastricht.

Internal Regulations of the Commission.

Various informative brochures of the Commission.