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THIRD INTERIM REPORT

of the Committee on Institutional Affairs

on the Intergovernmental Conferences in the context of
Parliament's strategy for European Union

Rapporteur: Mr David MARTIN

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A Series: Reports - B Series: Motions for Resolutions, Oral Questions - C Series: Documents received from other Institutions (e.g. Consultations)

* = Consultation procedure requiring a single reading

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By letter of 29 September 1989 the Committee on Institutional Affairs requested authorization to draw up a report on the Intergovernmental Conferences in the context of Parliament's strategy for European Union.

At the sitting of 20 November 1989, the President of the European Parliament announced that the committee had been authorized to report on this subject.

At its meeting of 31 October 1989 the Committee on Institutional Affairs appointed Mr Martin rapporteur.

On 14 March 1990 the European Parliament adopted the resolution contained in the first interim report by Mr Martin (A3-047/90).

On 11 July 1990 the European Parliament adopted the resolution contained in the second interim report by Mr Martin (A3-0166/90).

At its meetings of 17, 18 and 19 September 1990, 15 and 16 October 1990 and 30 and 31 October 1990, the Committee on Institutional Affairs considered the draft third interim report.

At the last meeting it adopted the motion for a resolution by 17 votes to 1 with 1 abstention.

The following took part in the vote: Oreja, chairman; Prag, vice-chairman; Martin, rapporteur; Aglietta, Capucho, Cassanmagnago Cerretti, De Giovanni, De Gucht, Ferrer, Hänsch, Herman, Pannella, Peters (for Balfe), Puerta, Randzio Plath (for Marinho), Rothley, Roumeliotis (for Avgerinos), Schmidbauer (for Donnelly) and Valverde.

The third interim report was tabled on 31 October 1990.

The deadline for tabling amendments will appear on the draft agenda for the part-session at which the report is to be considered.

A
MOTION FOR A RESOLUTION

on the Intergovernmental Conferences in the context of the European Parliament's strategy for European Union

The European Parliament,

- having regard to its resolution of 23 November 1989 on the Intergovernmental Conference decided on at the European Council in Madrid¹,
 - having regard to its resolution of 14 March 1990 on the Intergovernmental Conference in the context of Parliament's strategy for European Union²,
 - having regard to its resolution of 11 July 1990 on the Intergovernmental Conferences in the context of Parliament's strategy for European Union³,
 - having regard to its resolution of 12 April 1989 on the Declaration of Fundamental Rights and Liberties⁴,
 - having regard to Rule 121 of its Rules of Procedure,
 - having regard to the third interim report of the Committee on Institutional Affairs (A3-0270/90),
- A. Whereas the Committee on Institutional Affairs, with the assistance of four legal experts, has translated Parliament's proposals into concrete amendments to the Treaty;
- B. Whereas further study ought to be undertaken on the designation of legal norms within the Community order and the relationship among them with a view to making concrete proposals at a later date;
1. Approves the annexed draft amendments to the Treaty.
 2. Instructs its President to forward this resolution and its annex to the Council, the European Council, the Commission, the Court of Justice, the Court of Auditors, the Economic and Social Committee, the Governments and the Parliaments of the Member States and applicant states, and to the Consultative Committee of Local and Regional Authorities, the interinstitutional pre-conferences, the Intergovernmental Conferences, the Conference of the Parliaments of the European Community, the European Trade Union Confederation and UNICE.

¹ OJ No. C 323, 27.12.1989, p. 111

² OJ No. C 96, 17.4.1990, p. 114 - Martin I Report

³ OJ No. C 231, 17.9.1990, p. 97 - Martin II Report

⁴ OJ No. C 120, 16.5.1989, p. 53 - De Gucht Report

PROPOSED AMENDMENTS TO THE EC TREATY

Article 2 - Replace by:

The Community shall have as its domestic task, by establishing a common market progressively approximating the economic policies of Member States and adopting a common economic and monetary policy and a joint approach to social affairs, employment and the environment, to promote throughout the Community a harmonious and ecologically acceptable development of economic activities, a continuous and balanced expansion, an increase in stability, an accelerated raising of the standard of living and convergence upwards of living and working conditions and closer relations between the States belonging to it.

In its international relations, the Community shall have as its task, by adopting common policies, the implementation of common actions and close coordination of national policies, to promote security, peace, cooperation among all peoples of the world, disarmament and the free movement of persons and ideas. It shall seek to promote improvements in international commercial and monetary relations, together with the harmonious and fair development of all peoples of the world to enable them to advance out of underdevelopment and hunger, and to ensure all human beings the full exercise of their political, economic and social rights.

Article 3 - add:

- (l) the establishment of a common policy in the area of social affairs and employment;
- (m) the establishment of a Community foreign policy;
- (n) the promotion, by taking the necessary steps in the areas of education, mass media, information, research and culture, of exchanges, cooperation and joint programmes among the Member States which respect and enhance the pluralism and diversity characterizing European society;
- (o) the establishment of a common environmental policy;
- (p) the establishment of a common policy in the area of research and technological development;
- (q) the development of a common policy aimed at achieving economic and social cohesion;

Article 3a

The Community shall act only to fulfil the tasks conferred on it by the Treaties and to achieve the objectives defined thereby. Where powers have not been exclusively or completely assigned to the Community, it shall, in carrying out its activities, undertake such tasks the realization of which requires its intervention because, by virtue of their magnitude or effects, they transcend the frontiers of the Member States or because they can be undertaken more efficiently by the Community than by the Member States acting separately.

Article 8a

Add at the end of the second paragraph:

Completion of the internal market and its subsequent development require measures to secure the convergence, at a higher level, of living and working conditions in the Member States and the provision of the necessary financial resources for the Community.

Part two: **FOUNDATIONS OF THE COMMUNITY**

Before Title I insert the following preliminary title:

PROTECTION OF FUNDAMENTAL RIGHTS AND FREEDOMS

Article 8d (new)

1. This declaration of fundamental rights and freedoms shall afford protection for all persons in the area of application of Community law.
2. Where certain rights are set aside for Community citizens, it may be decided to extend all or part of the benefit of these rights to other persons.
3. A Community citizen within the meaning of this Declaration shall be any person possessing the nationality of one of the Member States.

DECLARATION OF FUNDAMENTAL RIGHTS AND FREEDOMS

GENERAL PROVISIONS

Article 1 (Dignity)

Human dignity shall be inviolable.

Article 2 (Right to life)

Everyone shall have the right to life, liberty and security of person.

Article 3 (Equality before the law)

1. In the field of application of Community law, everyone shall be equal before the law.
2. Any discrimination on grounds such as race, colour, sex, language, religion, political or other opinions, national or social origin, association with a national minority, property, birth or other status shall be prohibited.
3. Any discrimination between Community citizens on the grounds of nationality shall be prohibited.
4. Equality must be secured between men and women before the law, particularly in the areas of work, education, the family, social welfare and training.

Article 4 (Freedom of thought)

Everyone shall have the right to freedom of thought, conscience and religion.

Article 5 (Freedom of opinion and information)

1. Everyone shall have the right to freedom of expression. This right shall include freedom of opinion and the freedom to receive and impart information and ideas, particularly philosophical, political and religious.

2. Art, science and research shall be free of constraint. Academic freedom shall be respected.

Article 6 (Privacy)

1. Everyone shall have the right to respect and protection for their identity.

2. Respect for privacy and family life, reputation, the home and private correspondence shall be guaranteed.

Article 7 (Protection of family)

The family shall enjoy legal, economic and social protection.

Article 8 (Freedom of movement)

1. Community citizens shall have the right to move freely and choose their residence within Community territory. They may pursue the occupation of their choice within that territory.

2. Community citizens shall be free to leave and return to Community territory.

3. The above rights shall not be subject to any restrictions except those that are in conformity with Treaties establishing the European Communities.

Article 9 (Right of ownership)

The right of ownership shall be guaranteed. No one shall be deprived of their possessions except where deemed necessary in the public interest and in the cases and subject to the conditions provided for by law and subject to fair compensations.

Article 10 (Freedom of assembly)

Everyone shall have the right to take part in peaceful meetings and demonstrations.

Article 11 (Freedom of association)

1. Everyone shall have the right to freedom of association including the right to form and join political parties and trade unions.

2. No one shall in their private life be required to disclose their membership of any association which is not illegal.

Article 12 (Freedom to choose an occupation)

1. Everyone shall have the right to choose freely an occupation and place of work and to pursue freely that occupation.

2. Everyone shall have the right to appropriate vocational training in accordance with their abilities and fitting them for work.

3. No one shall be arbitrarily deprived of their work and no one shall be forced to take up specific work.

Article 13 (Working conditions)

1. Everyone shall have the right to just working conditions.

2. The necessary measures shall be taken with a view to guaranteeing health and safety in the workplace and a level of remuneration which makes it possible to lead a decent life.

Article 14 (Collective social rights)

1. The right of negotiation between employers and employees shall be guaranteed.

2. The right to take collective action, including the right to strike, shall be guaranteed subject to obligations that might arise from existing laws and collective agreements.

3. Workers shall have the right to be informed regularly of the economic and financial situation of their undertaking and to be consulted on decisions likely to affect their interests.

Article 15 (Social welfare)

1. Everyone shall have the right to benefit from all measures enabling them to enjoy the best possible state of health.

2. Workers, self-employed persons and their dependants shall have the right to social security or an equivalent system.

3. Anyone lacking sufficient resources shall have the right to social and medical assistance.

4. Those who, through no fault of their own, are unable to house themselves adequately, shall have the right to assistance in this respect from the appropriate public authorities.

Article 16 (Right to education)

Everyone shall have the right to education and vocational training appropriate to their abilities.

There shall be freedom in education.

Parents shall have the right to make provision for such education in accordance with their religious and philosophical convictions.

Article 17 (Principle of democracy)

1. All public authority emanates from the people and must be exercised in accordance with the principles of the rule of law.
2. Every public authority must be directly elected or answerable to a directly elected parliament.
3. Community citizens shall have the right to take part in the election of Members of the European Parliament by free, direct and secret universal suffrage.
4. Community citizens shall have an equal right to vote and stand for elections.
5. The above rights shall not be subject to restrictions except where such restrictions are in conformity with the Treaties establishing the European Communities.

Article 18 (Right of access to information)

Everyone shall be guaranteed the right of access and the right to corrections to administrative documents and data concerning them.

Article 19 (Access to the Courts)

1. Anyone whose rights and freedoms have been infringed shall have the right to bring an action in a court of tribunal specified by law.
2. Everyone shall be entitled to have their case heard fairly, publicly and within a reasonable time limit by an independent and impartial court or tribunal established by law.
3. Access to justice shall be effective and shall involve the provision of legal aid to those who lack sufficient resources otherwise to afford legal representation.

Article 20 (Ne bis in idem)

No one shall be tried or convicted for offences for which they have already been acquitted or convicted.

Article 21 (Non-retroactivity)

No liability shall be incurred for any act or omission to which no liability applied under the law at the time when it was committed.

Article 22 (Death penalty)

The death penalty shall be abolished.

Article 23 (Right of petition)

Everyone shall have the right to address written requests or complaints to the European Parliament.

The detailed provisions governing the exercise of this right shall be laid down by the European Parliament.

Article 24 (Environment and Consumer Protection)

1. The following shall form an integral part of Community policy.

- the preservation, protection and improvement of the quality of the environment
- the protection of consumers and users against the risks of damage to their health and safety and against unfair commercial transactions.

2. The Community institutions shall be required to adopt all the measures necessary for the attainment of these objectives.

FINAL PROVISIONS

Article 25 (Limits)

The rights and freedoms set out in this Declaration may be restricted within reasonable limits necessary in a democratic society only by a law which must at all events respect the substance of such rights and freedoms.

Article 26 (Degree of protection)

No provision in this Declaration shall be interpreted as restricting the protection afforded by Community law, the law of the Member States, international law and international conventions and accords on fundamental rights and freedoms or as standing in the way of its development.

Article 27 (Abuse of rights)

No provision on this Declaration shall be interpreted as implying any right to engage in any activity or perform any act aimed at restricting or destroying the rights and freedoms set out therein.

Article 8e

RACISM AND XENOPHOBIA

The Community and its Member States, acting in those areas to which their respective authorities apply, shall take the necessary measures to avert, and where necessary to prohibit, all forms of intolerance, hostility or violence against persons or groups of persons inspired by racial, religious, cultural, linguistic, social or national differences, and to prevent any form of segregation against such persons or groups of persons.

Article 8f

The Community shall adopt, in accordance with the procedure laid down pursuant to Article 188b), measures aimed at developing common forms of European citizenship, including the enjoyment of all basic rights listed in this Treaty and in particular the right of citizens of the Community to take part in local government and European elections in the Member States in which they are resident.

Article 43

In paragraph 2 replace the third subparagraph by the following:

The Community shall take the measures necessary to secure implementation of this Article in accordance with the procedure laid down pursuant to Article 188b).

Article 74

The objectives of this Treaty shall, in matters governed by this Title, be pursued by Member States within the framework of a common transport policy which forms an integral part of the policies for the completion of the internal market and economic union and respects the environmental and social objectives of the Treaty.

Article 75

1. For the purpose of implementing Article 74, and taking into account the distinctive features of transport, the Community shall lay down, in accordance with Articles 188b and 188c:
 - (a) common rules applicable to international transport to or from the territory of a Member State or passing across the territory of one or more Member States;
 - (b) the conditions under which non-resident carriers may operate transport services within a Member State;
 - (c) common rules for the approximation of the laws, regulations and administrative provisions of the Member States in the technical, social and fiscal fields, in order to eliminate any distortion of competition in the common transport market;
 - (d) common rules for transport safety;
 - (e) structural policies to encourage the competitiveness of Community transport undertakings or to develop integrated transport systems, in particular for the railways and intermodal transport;
 - (f) common rules for the coordination of Member States' policies on transport infrastructure and for the establishment of a common fund for transport infrastructures with a view to contributing to the financing of projects of Community interest, as a supplement to financing by the Member States, or with resources derived from the capital markets and in coordination with the other financial instruments of the Community;

- (g) common rules for the establishment of a Community register for shipping;
 - (h) common rules for the establishment of a European civil aviation authority;
 - (i) any other appropriate provisions for the development of a European transport system in accordance with the aims of the Treaty;
2. The provisions referred to in (a) and (b) of paragraph 1 shall be laid down during the transitional period. The provisions referred to in (c), (d) and (e) shall be laid down concomitantly with the liberalization measures and at the latest by 31 December 1992. The provisions referred to in (f) and (g) shall be laid down before 31 December 1994.

Article 77

Add:

The Community shall lay down, in accordance with Article 188b, common rules to ensure the transparency of the aids granted.

Article 82

Replace by:

1. The rules of competition of the Treaty shall apply to the areas referred to in Title IV. The Community shall adopt, in accordance with Article 188b, the appropriate proposals with a view to their application taking into account the distinctive features of transport.

Article 84

1. The provisions of this Treaty shall apply to transport by rail, road and inland waterway, air and sea transport and intermodal transport.
2. Where agreements with third countries and international organizations need to be concluded, the procedure in Article 228 shall apply.

Article 100a

Delete paragraph 2.

In paragraph 3, after 'environmental protection', add:
'social welfare'.

Article 101

Add:

The Commission may take all measures required to rectify serious economic and social distortions occasioned, in a Member State, by Community action and in the case where structural fund intervention is shown to be insufficient.

Article 113

Amend as follows:

2. Delete

3. Where agreements with third countries and international organizations need to be concluded, the procedure in Article 228 shall apply.

4. Delete

Article 114

Delete

Article 115

Delete

Article 116

Where both the Community and individual Member States are members of international organizations, they shall, in respect of all matters of particular interest to the Community, proceed by common action. To this end, the Commission shall submit to the Council, which shall act by qualified majority, proposals concerning the scope and implementation of such common action.

Delete paragraph 2

TITLE III

SOCIAL AND EMPLOYMENT POLICY

Article 117

Replace by:

The Community and the Member States shall endeavour to improve the living and working conditions of all citizens of the Member States and all persons legally resident therein.

It shall promote equality of opportunity in access to education, further education and culture.

The Community shall endeavour to increase an awareness of a common European culture while at the same time preserving the cultural diversity of the regions.

Article 118

Replace by:

Without prejudice to the other provisions of this Treaty and in conformity with its general objectives, the Community shall have the task of adopting, in accordance with the procedure laid down pursuant to Article 188b, and after consultation with the Economic and Social Committee, a common policy in the social and employment field, and to promote cooperation between the Member States, particularly in matters relating to:

- employment;
- labour law and working conditions;
- basic and advanced vocational training;
- social security aspects relating to the freedom of movement;
- prevention of occupational accidents and diseases;
- occupational hygiene;
- health;
- the right of association and collective bargaining between employers and workers.

Article 118a

Delete paragraph 1 and insert:

Member States shall pay particular attention to encouraging improvements in the working environment as regards the health and safety of workers, social provisions and the training of workers, equality of opportunity for all workers, and shall set as their objective the harmonization of conditions in this area, while maintaining the improvements made.

Article 118b

The Community, after consulting the Economic and Social Committee, shall, in accordance with the procedure laid down pursuant to Article 188b, not later than the end of 1994, adopt a legal framework conducive to the development of

dialogue between management and labour so as to arrive at Community collective negotiations.

According to the same procedure and within the same period the Community shall adopt legislation organizing and guaranteeing the right of all workers to be informed and consulted before the adoption, by an undertaking, of a decision which concerns them.

Article 119

In the first paragraph add:

and equality of opportunity on the employment market.

Article 128

The Community shall draw up, in accordance with the procedure laid down pursuant to Article 188b, general principles for the implementation of a policy of occupational training such as can contribute to the harmonious development both of the national economies and of the common market. The benefits of this policy shall be accessible to all persons legally resident in the Community during their working lives.

TITLE IIIa

CULTURAL POLICY

Article 128a

The Member States shall take the necessary measures to protect and promote the cultural wealth and diversity of the European Community.

Article 130a

Amend first subparagraph as follows:

In order to promote real and nominal economic convergence and its overall harmonious development, the Community shall develop and pursue its actions leading to the strengthening of its economic and social cohesion.

Amend second subparagraph as follows:

In particular, the Community shall aim at overcoming the disparities between the various regions and the backwardness of the least favoured regions and population groups.

Article 130b

Amend as follows:

Member States shall conduct their economic and social policies, and shall coordinate them, in such a way as, ... (rest unchanged)

Article 130 k

Add at the end of the first paragraph:

... the means deemed necessary in the framework of the multiannual financial planning.

Article 130r

In paragraph 1 add the following subparagraph:

(iv) to contribute towards international action against the risks threatening the ecological balance of the planet.

In paragraph 4, add:

A European environment fund shall be set up to this end.

PART THREE - POLICY OF THE COMMUNITY

Add:

Title VIII - Foreign, security and defence policy

Article 130u

1. The Community's foreign policy and security policy shall be based on the principles of solidarity between the Member States and the inviolability of their borders and shall have the following objectives:
 - the maintenance of peace and security, the peaceful settlement of disputes based on respect for international law and the prevention of aggression,
 - mutual, balanced and verifiable reductions of armed forces and armaments;
 - the promotion of social harmony and international order, based on respect for human rights and the improvement of living standards in the developing countries.
2. In all these areas, the Community should aim to have common policies on all matters in which the Member States share essential interests.
3. The Community's foreign policies in the areas of external trade and monetary policy) and in areas where the Community possesses internal responsibilities shall be conducted according to the relevant procedural regulations.

The Community's general foreign, security and defence policy shall be conducted according to the following principles and procedures:

(a) The Community shall gradually develop and determine common European positions regarding peace, security, disarmament, the inviolability of the external frontiers of Member States and the protection of their common international economic interests. It shall, where necessary, decide on common measures. The Commission and the Member States shall have a right of initiative in this respect.

(b) The particular foreign and security policy rights and obligations of individual Member States shall not be prejudiced by the aforesaid.

(c) The General Affairs Council or the Council of Defence Ministers shall adopt their decisions unanimously. Article 148(3) shall apply as appropriate.

(d) The Presidency in collaboration with the Commission shall be responsible for the coordination of the Community's external policies with the foreign policy of Member States, Community representation vis-à-vis third countries and the conduct of foreign affairs.

(e) Parliament shall be involved as far as appropriate in formulating and implementing the common foreign policy.

4. For the purposes set out in this article, the Community's action shall apply to the following sectors, under the terms and deadlines laid down in the Treaty:

- industrial and technical cooperation in the military field,
- the transfer of military technology to third countries,
- control of exports and non-proliferation,
- the security dimension within the framework of the CSCE,
- talks on disarmament and confidence-building measures, in particular within the framework of the CSCE,
- participation in military initiatives and the coordination thereof, in particular in the context of actions decided on by the United Nations,
- security and defence tasks provided for by the Treaty on Western European Union.

5. Where foreign, security and defence policy decisions require the use of Community measures, for which there already exists a legal basis under Community law, they shall be adopted according to the relevant Community procedures.

6. In the areas still falling under the terms of reference of the foreign policy of the Member States, the latter shall avoid taking any action or adopting any position harmful to their effectiveness as a cohesive force in international relations or within international organizations.

Article 130v (new):

Within the framework of international organizations, the Member States shall act in conformity with the policies adopted.

Article 137

Replace 'supervisory powers' by 'supervisory and legislative powers'.

Article 143a

Parliament may set up temporary committees of inquiry to investigate alleged contraventions of Community law or instances of maladministration with respect to Community responsibilities. These committees shall be afforded all cooperation necessary to the success of their endeavours.

Article 145

To ensure that the objectives set out in this Treaty are attained, the Council shall, in accordance with the provisions of this Treaty:

- exercise the powers conferred on it under the title 'Economic and Monetary Union';
- exercise the legislative powers conferred on it under this Treaty;

Article 149: Note

This article is to be deleted when Articles 188a - c come into force.

Article 155

The fourth indent to read as follows:

- 'exercise the powers for implementing the acts adopted pursuant to the procedure laid down in Article 188b. The implementing measures may be submitted before their adoption to the opinion of a committee composed of representatives of Member States and chaired by a representative of the Commission. The instrument to be implemented may provide that when the Committee delivers an unfavourable opinion by qualified majority determined in accordance with the provisions of Article 148, the measures shall be submitted to the legislative procedure. That decision shall not have a suspending effect. These provisions shall not apply to the implementation of the budget, which shall be governed by Article 205.

The implementation measures shall be forwarded on their adoption to Parliament and to the Council. Parliament shall, within one month from the date of publication of these measures, decide by a majority of its Members if it wishes to subject them to the legislative procedure. That decision shall not have a suspending effect.

Article 158

At the start of each electoral term, the President of the Commission shall be elected by Parliament by a majority of its Members on a proposal by the European Council. The Members of the Commission shall be chosen by the President in agreement with the Council ruling by a qualified majority. In the month which follows the Commission shall seek Parliament's vote of confidence on its composition and programme. Parliament shall accord a vote of confidence by simple majority. The Commission shall be fully empowered to

act after securing a vote of confidence. If it does not secure a vote of confidence, a new Commission shall be appointed according to the same procedure. If the Commission resigns during its term, the term of the newly-invested Commission shall end at the same time as the current electoral term.

Article 161

The Vice-Presidents of the Commission shall be appointed from among its Members for half the term in accordance with the same procedure as that laid down for the appointment of Members of the Commission.

Remainder unchanged.

Article 167

At the end of the first subparagraph:

1. delete the words 'by common accord'
2. replace 'of the governments of the Member States' by 'of the Council acting by qualified majority with the assent of the European Parliament. Assent shall be deemed not to have been given, should the European Parliament reject the appointment by a majority of its Members.'

Amend the fifth subparagraph to read:

The Judges shall elect the President of the Court of Justice from among their number for a term of three years. The President may be re-elected.

Article 171

Add the following:

'The Court may combine its judgments with financial sanctions against the Member State that has been found to be in default. The amount and method of collection of such sanctions shall be determined by a regulation adopted by the Community in accordance with the procedure laid down pursuant to Article 188(b).

The Court may also impose on recalcitrant states other sanctions such as suspension of right to participate in certain Community programmes, to enjoy certain advantages or to have access to certain Community funds.

Article 172a

1. The Council, the Commission or the Parliament or any Member State may, after the definitive adoption of an act and before its entry into force, request the Court of Justice to verify whether this act does not exceed the limits of the powers of the Community.

At the request of an institution or of a Member State, the Court shall give its ruling by urgent procedure, which shall suspend the act's entry into force.

2. Should the Court's judgment be adverse, the procedure for amendment of the Treaty provided for in Article 236 of the Treaty shall apply to the said act.

Article 173

1. After 'of the Council' add: 'the European Parliament,'
2. In the second sentence, after 'the Council' insert ',the European Parliament,'.
3. Add:

Actions on grounds of a breach of the principle of subsidiarity may not be brought until the legislative procedure has been completed.

Article 188a (new) - Right of initiative:

1. The Commission shall enjoy the power of initiative. It may amend or withdraw its proposal up to the time at which Parliament acts at first reading.
2. On a request by Parliament, adopted by a majority of its Members, the Commission shall submit a legislative proposal conforming to that request. In the event of refusal by the Commission, or of its failure to reply within six months, Parliament may, by a majority of its Members, table a motion in conformity with its initial request. The motion shall take the place of first reading, and shall be forwarded directly to the Council. The six-month deadline may be amended by common agreement between Parliament and the Commission.

Article 188a(1) (new)

After Article 188a add the following article:

concerning legislative bodies:

Parliament and the Council shall jointly constitute the legislative body of the Community. They shall adopt legislative acts in accordance with the provisions of the present Treaty. The procedure shall be governed by Article 188b.

Article 188b

Where by virtue of this Treaty, an instrument is adopted in accordance with the legislative procedure, the following provisions shall apply:

- (a) The Commission's proposals shall be submitted to Parliament, which shall be free to adopt, amend or reject them. Where the Commission opposes an amendment, Parliament may not adopt it except by a majority of its Members. Parliament may not reject Commission proposals except by a majority of its Members.
- (b) The Council may subsequently adopt, amend, or reject the text forwarded by Parliament. It shall approve that text by a qualified majority; it may amend it by the same majority, except where the Commission opposes the

amendments tabled, in which case unanimity shall be required. A unanimous vote shall also be required to adopt a proposal rejected by Parliament.

(c) At first reading, the institutions may request implementation of an urgent procedure.

(d) If the text adopted by the Council conforms to that of Parliament, it shall be definitively approved. If the Council adopts a text departing from that of Parliament, or if Parliament rejected the Commission proposal, it shall be referred back to Parliament at second reading.

(e) At second reading, Parliament, acting by a simple majority, may adopt the Council's text or ask for the conciliation procedure to be opened. If adoption does not take place within a period of three months, the conciliation committee shall meet in full powers.

(f) The conciliation committee shall be composed of an equal number of Members of Parliament and of the Council. Its members shall not be bound by instructions. The Commission shall participate in the work of the committee. The rules of procedure of the committee shall be drawn up by joint agreement by Parliament and the Council.

If a document is adopted by the committee, it shall be submitted to the Council and Parliament for their approval. No amendment shall be admissible.

The text must obtain a simple majority in Parliament and qualified majority in the Council. If it fails to do so, the legislative procedure shall terminate.

(g) On signature by the Presidents of Parliament and the Council, texts approved by these two institutions shall be published.

(h) When acting in accordance with this procedure, the Council shall rule in public sitting. When it rules by qualified majority, the latter shall be calculated in accordance with the provisions laid down pursuant to Article 148(2) first indent.

Article 188c

The procedure laid down pursuant to Article 188b shall replace the decision-making procedure laid down by Articles referred to below. Where consultation of the Economic and Social Committee was required by these articles, such consultation shall continue to be required. The said articles are: Articles 7(2), 8b(2), 43(2), 49, 54(2), 55, 56(2), 57, 59, 63(2), 69, 70(1), 75, 79, 84, 87, 94, 99, 100, 100a, 100b(1), 101, 103, 112, 118, 118a, 118b, 121, 126, 128, 130d⁵, 130e⁵, 130q, 130s, 153, 188, second paragraph⁶, 209⁷, 212, 217, 223 and 235⁸

⁵ The Committee of the Regions and Municipalities should be consulted on the proposal.

⁶ The request by the Court of Justice should be retained.

⁷ The opinion of the Court of Auditors should continue to be required.

⁸ Special procedure, see above.

Article 198a

1. A committee of the regions and local authorities of the Community with consultative status shall be set up.
2. The committee shall be composed of representatives of the different regions and municipalities of the Community. The number of its members, their distribution and the arrangements for their representation shall be fixed in accordance with the procedure laid down pursuant to Article 188b of this Treaty.
3. The members of the committee shall be appointed for a four-year term by the Council acting by a qualified majority with the assent of the European Parliament and after consulting the Commission. Their mandates shall be renewable.
4. The members of the committee may not be bound by any mandate.

Article 198b

The committee shall appoint its chairman and its bureau from among its members. It shall draw up its internal rules of procedure. It shall be convened by its chairman at the request of the Council, Parliament or the Commission or following an independent initiative of the committee decided on by a majority of its members.

Article 198c

The committee shall be consulted by the Council, Parliament or the Commission on proposals for measures that have an impact on regional matters or that fall within the terms of reference of the regions. The committee shall be set a time limit for the submission of its opinion, upon expiry of the time limit, the absence of an opinion shall not prevent further action. The opinions shall be forwarded to the institutions of the Community and published. The committee may on its own initiative draw up reports and set out proposals on all matters having an interest for the regions of the Community.

Article 199

All items of revenue and expenditure of the Community, including capital transactions, shall be included in estimates to be drawn up for each financial year and shall be shown in the budget.

Article 200

Delete

Article 201 (new)

The financing of the Community's expenditure shall be assured by adequate own resources that guarantee its financial autonomy. On a proposal from the Commission, the Council, acting unanimously after securing the assent of the European Parliament, adopted by a majority of its Members, shall adopt the provisions relating to own resources.

Article 202

At the end of the third paragraph, add:

The budget must show the breakdown of appropriations by programme.

Article 202a

1. At the beginning of each legislative period of the European Parliament, the European Parliament, acting by a majority of its members, and the Council, acting by a qualified majority, shall adopt by common agreement guidelines for the direction sought for the activities and financial services of the Community.
2. The budget shall be part of the reference framework for the multiannual financial planning of revenue and expenditure which, on a proposal from the Commission, shall be drawn up by agreement between the Council, acting by a qualified majority, and the European Parliament, acting by a majority of its Members. The overall ceiling shall be binding on the institutions during each budgetary procedure.
3. In accordance with the procedure set out in the preceding paragraph, the Council and the European Parliament shall determine the frequency, structure, substance and mechanisms for the revision, adaptation, adjustment and ordinary and extraordinary updating of this multiannual financial planning.
4. In the absence of a joint decision by the institutions on any Commission proposal, the objectives determined previously shall be applicable.
5. The budget shall also serve to provide financial compensation between the Member States. The relevant rules shall be adopted jointly by the European Parliament, acting by a majority of its Members, and the Council, acting by a qualified majority.

Article 203

1. The financial year shall run from 1 January to 31 December.

With regard to the financial implications, the agricultural marketing year laid down for the various sectors to which the common agricultural policy (CAP) applies shall be identical to the financial year.

2. Unchanged.
3. Unchanged.
4. The draft budget shall be placed before the European Parliament not later than 5 October of the year preceding that in which the budget is to be implemented. The European Parliament shall have the right to amend the draft budget, acting by a majority of its Members.

If, within forty-five days of the draft budget being placed before it, the European Parliament has given its approval, the budget shall stand as finally adopted.

If within this period the European Parliament has not amended the draft budget, the budget shall be deemed to be finally adopted.

If within this period the European Parliament has adopted amendments, the budget together with the amendments shall be forwarded to the Council.

5. After discussing the draft budget with the Commission and, where appropriate, with the other institutions concerned, the Council, acting by a qualified majority, may modify any of the amendments adopted by the European Parliament.

If, within 15 days of the draft being placed before it, the Council has not modified any of the amendments adopted by the European Parliament, the budget shall be deemed to be finally adopted. The Council shall inform the European Parliament that it has not modified any of the amendments it had adopted.

If within this period the Council has modified one or more of the amendments adopted by the European Parliament, the modified draft budget shall again be forwarded to the European Parliament. The Council shall inform the European Parliament of the results of its deliberations.

6. If, within 15 days of the draft budget being placed before it, the European Parliament, having been notified of the action taken on its amendments, has not acted, the budget shall be deemed to be finally adopted. Within this period, the European Parliament, acting by a majority of its Members, may amend or reject the modifications made by the Council to its amendments. In that case, the budget shall be deemed to be finally adopted if, within the 15 days, the budget in its entirety has not been rejected by the Council, acting by a qualified majority. In that event, the Commission shall submit fresh proposals.

7. Unchanged.

8. Delete paragraphs 8 and 9 and renumber paragraph 10 as paragraph 8.

Article 204

Third paragraph

The Council shall forward this decision immediately to the European Parliament. Within thirty days, the European Parliament, acting by a majority of its Members, may adopt a different decision on the expenditure in excess of the one-twelfth referred to in the first subparagraph. This part of the decision of the Council shall be suspended until the European Parliament has taken its decision. If within the said period the European Parliament has not taken a decision which differs from the decision of the Council, the latter shall be deemed to be finally adopted.

Article 206

Paragraph 4

4. The members of the Court of Auditors shall be appointed for a term of six years by the Council, acting by qualified majority with the assent of the European Parliament. Assent shall be deemed not to have been given should the European Parliament reject the appointment by a majority of its members.

Article 206a

Add the following:

It may be instructed to carry out enquiries and to submit reports by Parliament and the Council as part of the budget discharge procedure.

Article 206b

Add the following:

The institutions shall comply with the comments accompanying the decisions granting discharge.

Article 207

1. The budget shall be drawn up in ECUs.
2. The Community shall have unrestricted access to its resources. The Commission may make any unused appropriations temporarily available to the Member States, subject to the terms laid down in the Financial Regulation.

Article 208

Delete

Article 216

Add the following:

If a single place of work for the European Parliament cannot be fixed within the two years following the entry into force of this amendment, the place shall be fixed by Parliament acting by a majority of its Members (and two thirds of the votes cast).

Article 228

1. Whenever the Community needs to conclude agreements with one or more States or an international organization, such agreements shall be negotiated and concluded by the Commission.

The Commission shall inform Parliament and Council of its intention to enter into negotiations towards conclusion of an agreement and in due course shall submit for the approval of both its draft orientation (guidelines) for the negotiations.

During the negotiations and before signature, Parliament and Council may transmit recommendations to the Commission. Before concluding an agreement the Commission shall inform Parliament and Council of the results of the negotiations.

However, before concluding an agreement which modifies major provisions of Community law, or has a major impact on the budget, the Commission must receive the authorization of Parliament and Council.

Authorization is also necessary in cases where Parliament or Council will have requested so prior to the opening of negotiations, or where such a request is made by Parliament and Council at a later date.

Parliament, Council or a Member State may obtain beforehand the opinion of the Court of Justice as to whether an agreement envisaged is compatible with the provisions of this Treaty. Where the opinion of the Court of Justice is adverse, the agreement may enter into force only in accordance with the Treaty revision procedure.

2. Agreements concluded under these conditions shall be binding on the institutions of the Community and on Member States.

Article 235

After 'necessary powers' to read as follows:

... the Community, acting in accordance with the procedure laid down pursuant to Article 188b of this Treaty, shall take the appropriate measures. In such cases, and by derogation from Article 188b, the Council shall act unanimously.

Article 236

First paragraph:

The government of any Member State, the Commission or Parliament may submit to the Council proposals for the amendment of this Treaty.

Add a new paragraph after the second paragraph and amend the final paragraph:

Proposals for the amendment of the Treaty, adopted by the Conference of the representatives of the Member States' Governments, shall be submitted to the European Parliament which shall adopt, amend or reject them by an absolute majority of its members within a period of 3 months.

If the proposed amendments are amended or rejected by the European Parliament, a conciliation committee - consisting of an equal number of members of the Parliament and representatives of the Member States' Governments, with the participation of the Commission - shall meet as of right. Where a text is adopted by the committee, it shall be submitted to the Conference and to the Parliament for adoption. No amendment thereto shall be admissible.

The amendments to the Treaty, deemed to be adopted according to this procedure, shall enter into force after being ratified by all the Member States in accordance with their respective constitutional requirements.

MERGER TREATY

Article 2

Third paragraph (new)

Where the Council deals with matters which are the sole responsibility of the regions in a given Member State, it may likewise be represented by a delegate from the regional governments concerned.

EXPLANATORY STATEMENT

This motion for resolution contains the draft treaty articles that the four lawyers assisting the Committee on Institutional Affairs have prepared on the basis of Parliament's resolutions of 11 July 1990 on the intergovernmental conferences (Martin II Report). In this sense it is a 'translation' from the political language of Parliament's July resolution into the legal language of Treaty articles for submission as Parliament's contribution to the Intergovernmental Conferences.

The text is, in fact, more than a strict translation. New points have been added, notably to reflect developments since July and to take on board proposals made by Parliament's specialist committees with regard to their areas of competence (e.g. Transport, Budget).

As rapporteur, I would like to thank in particular the four legal experts who helped the committee namely:

Francesco Capotori
Meinhard Hilf
Jean-Paul Jacque
Joseph H.H. Weiler

Naturally, only the committee can take responsibility for the final form of the texts they submitted which were amended and added to by the Members in a way which may not always have met with the full approval of the legal experts!

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Together with the Treaty articles on EMU contained in Parliament's resolution of 10 October 1990 (Herman Report) and the articles on subsidiarity contained in the resolution of November 1990 (Giscard d'Estaing Report), these proposals constitute the complete package of proposals that Parliament expects the IGCs to consider. Parliament has requested the IGCs to seek an agreement with Parliament on the final package of Treaty amendments that will be submitted to national parliaments for ratification.

Parliament is also beginning preparations for a future constitution for European Union which it hopes will 'take account of the results of the Intergovernmental Conferences'⁹ in order that the Treaty modifications brought about by the IGCs can 'be consolidated in a constitution which the European Parliament should prepare'¹⁰ (quoting from the Colombo and Martin resolutions of 11 July).

⁹ Colombo resolution of 11 July, Part II OJ C 231, page 97

¹⁰ Martin resolution of 11 July, Para. 4, OJ C 231, page 99

C
RESOLUTION OF 11 JULY 1990

RESOLUTION

on the Intergovernmental Conference in the context of Parliament's strategy for European Union

The European Parliament,

- having regard to its resolution of 14 March 1990 on the Intergovernmental Conference⁽¹⁾,
 - having regard to the Community Charter for Regionalization attached to its resolution of 18 November 1988⁽²⁾
 - having regard to the second interim report of its Committee on Institutional Affairs and the opinion of the Committee on Youth, Culture, Education, the Media and Sport (Doc. A3-166/90),
- A. Whereas there have been a number of significant developments since, and partly in response to, the adoption of Parliament's resolution, notably:
- the aide-memoire of the Belgian Government of 20 March 1990, which supports most of the key points in the Parliament's resolution;
 - the three resolutions adopted by the Italian Parliament on 21 March 1990 explicitly supporting the European Parliament's resolution and agreeing to host with the European Parliament the 'assizes' of national parliaments and the European Parliament in October 1990;
 - the letter sent by President Mitterrand and Chancellor Kohl to the President-in-Office of the European Council calling for a second intergovernmental conference on political union in order to 'strengthen the democratic legitimacy of the union, render its institutions more efficient, ensure unity and coherence of the union's economic, monetary and political action and to define and implement a common foreign and security policy', this letter following on from the desire expressed on 25 March 1990 by President Mitterrand to see European political union completed by 31 December 1992;
 - the initiative of Felipe Gonzalez, the Spanish Prime Minister, for a citizen's Europe;

⁽¹⁾ OJ C 96, 17.4.1990, p. 114.

⁽²⁾ OJ No C 326, 19.12.1988, p. 296.

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- the ETUC declaration on the political union of Europe;
- the special meeting of the European Council in Dublin on 28 April 1990 at which the European Council 'confirmed its commitment to political union' and charged the foreign ministers with preparing 'proposals to be discussed at the European Council in June with a view to a decision on the holding of a second intergovernmental conference to work in parallel with that on EMU with a view to ratification in the same time-frame';
- the aide-memoires of the Greek, Dutch and Danish Governments, most aspects of which also support key points in Parliament's resolution;
- the discussions that took place at the first meeting of the interinstitutional preparatory conference held in Strasbourg on 17 May 1990;
- the informal meeting of the Foreign Ministers of the Community's Member States at Parknasilla on 18 and 19 May 1990 and the meeting of the General Affairs Council in Luxembourg on 18 and 19 June 1990;
- the meeting of the European Council of 25 and 26 June 1990 in Dublin which agreed to convene the two intergovernmental conferences,

1. Welcomes the fact that the agenda of the forthcoming reform of the Treaties is to be widened beyond economic and monetary union; underlines, however, its grave concern at the emergence of some positions within the Council defining 'political union' as merely a reinforcement of the intergovernmental level of cooperation among the governments of the Member States of the EC;

2. Recalls its preference for a single intergovernmental conference possibly with two working groups, but accepts the proposal for two intergovernmental conferences provided that they are closely coordinated and that they aim for a single coherent package for ratification;

3. Considers that the term 'political union' refers to the same aspirations as those which lay behind Parliament's draft Treaty on European Union of February 1984; reaffirms the essential elements of such a political union to be:

- economic and monetary union with a single currency and an autonomous central bank;
- a common foreign policy, including joint consideration of the issues of peace, security and arms control;
- a completed single market with common policies in all the areas in which the economic integration and mutual interdependence of the Member States require common action notably to ensure economic and social cohesion and a balanced environment;
- elements of common citizenship and a common framework for protecting basic rights;
- an institutional system which is sufficiently efficient to manage these responsibilities effectively and which is democratically structured, notably by giving the European Parliament a right of initiative, of co-decision with the Council on Community legislation, the right to ratify all constitutional decisions requiring the ratification of the Member States also and the right to elect the President of the Commission;

with these responsibilities being exercised on the basis of the principle of subsidiarity, which will enable the Union to develop dynamically;

4. Believes that a reform of the Treaties that would achieve these objectives would bring the European Community closer to the 'European Union of federal type' advocated by the European Parliament in its resolution of 14 March 1990 and considers, therefore, that such changes should be consolidated in a 'constitution' which the European Parliament should prepare; recalls its resolution of 11 July 1990⁽¹⁾ on this draft, which is based on its draft treaty of European Union of 1984, and which should become the basis for the transformation of the Community into a genuine union of federal type;
5. Regards it as essential, at the intergovernmental conference, to amend in a coherent manner all the Treaties establishing the European Communities, in particular the ECSC, EEC, EURATOM and Merger Treaties;
6. Reaffirms the areas in which it would like to see treaty reform, namely those listed in paragraph 4 of its resolution of 14 March 1990, and spells out as follows the precise changes that it would seek to achieve for each of the areas listed in that resolution;

Economic and monetary union

7. Economic and monetary union should be established in accordance with a specific, automatic and mandatory timetable, between the 12 Member States of the European Community or, if appropriate, between those willing, in accordance with the criteria spelt out in Parliament's resolutions of 25 October 1989⁽²⁾ and 16 May 1990⁽³⁾ on economic and monetary union;

Community foreign policy

8. Considers that Article 30 of the Single European Act should be revised in order to provide for matters currently dealt with under EPC to be dealt with in the Community framework with appropriate procedures; believes that the current division between external economic relations handled by the Community institutions with the Commission acting as the Community's external representative, and political cooperation handled by EPC with the EPC President acting as external representative, is increasingly difficult to maintain in practice; considers that any genuine attempt 'to assure unity and coherence in the Community's international action' must abolish this increasingly artificial distinction;
9. Calls therefore for the Council (rather than a separate framework of foreign ministers) to be given the prime responsibility for defining policy; for the Commission to have a right of initiative in proposing policies to Council and to have a role in representing the Community externally, including appropriate use of its external missions in third countries; and for the functions of the EPC secretariat to be absorbed by the Commission and Council; and for the Community's foreign policy to be subject to scrutiny by the Community's elected Parliament;
10. Calls for the scope of the Community's foreign policy to include issues of security, peace and disarmament, with a close coordination of national security policies, and to respect the principle of solidarity and the inviolability of the external borders of Member States;
11. Considers that in all these areas, the Community should aim to have common policies on all matters in which the Member States share essential interests;
12. Considers that membership of international organizations should be adjusted accordingly, with the Community as such seeking membership and representing the Member States in those areas where Community competence has been established, and it should therefore belong notably to the Council of Europe;

⁽¹⁾ Part II, Item 10(a) of these Minutes.

⁽²⁾ OJ No C 304, 4.12.1989, p. 43.

⁽³⁾ See Minutes of that sitting, Part II, Item 2.

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Better treaty provisions in the social, environmental, research and cultural sectors

13. Considers that, in order to ensure a balanced development of the internal market, the social and environmental provisions of the treaties should be among those in which majority voting in Council applies; believes this could be best achieved in the context of the improved legislative procedure outlined below;
14. Considers that the objectives of social policy, as defined in the treaties, should be extended, improved and completed, notably by:
- adding to Article 3 EEC the objective of common action in the field of social affairs and employment, which implies the affirmation of the right of workers to be informed and consulted before any decision affecting them;
 - deleting paragraph 2 of Article 100a EEC and including social protection in matters concerned by paragraph 3;
 - adding to Article 8a EEC that the completion and further evolution of the internal market necessarily imply provisions to secure the convergence, at a higher level, of living and working conditions;
 - adding to Article 101 EEC the possibility of Commission intervention in cases where Community action in Member States causes serious economic or social distortion or where the intervention of the structural funds is insufficient;
 - adding to the objectives of Article 117 EEC improved training and working conditions, equal opportunities, and access to education and culture, to be granted to all citizens of the Member States and to all persons legally resident in the Community;
 - adding to the first paragraph of Article 118 of the EEC Treaty the indication that the Commission's task in the social sphere is to implement the common policy in the social affairs and employment sphere and to promote collaboration between the Member States;
 - adding to the objectives of Article 118a EEC the continual improvement of living standards and social provisions, equal opportunities, training, minimum levels of social security and welfare, minimum provisions for union law and collective bargaining, covering also workers from third countries;
 - amending Article 118b of the EEC Treaty by indicating that the Community must adopt a legal framework which enables the dialogue between the two sides of industry to develop so that European collective bargaining may be undertaken;
 - adding to the objectives of Article 119 EEC, concerning equal pay for men and women, the objective of equal opportunities at work and in society;
 - establishing, through Article 128 EEC, a common policy providing for all persons in the Community to have access to appropriate vocational training throughout working life;
 - modifying the last words of Article 130a EEC to refer to least-favoured regions and population groups;
 - strengthening or establishing objectives which are increasingly recognized as being urgent and necessary in the areas of education policy, the mass media, information, research and culture to promote a greater volume of exchanges, cooperation and joint programmes, which respect and enhance the pluralism and diversity which characterize European society;

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15. Considers that the objectives of environmental policy, as defined in the Treaties, should be extended, improved and completed, notably by:
- adding to Article 130r(1) of the EEC Treaty the objective of contributing to international action against the dangers threatening the ecological equilibrium of the planet;
 - amending Article 130r(4) of the EEC Treaty in order to specify the Community's concrete contribution to achieving the objectives set out in Article 130r(1) through the establishment of a European Environment Fund;
16. Considers, further, that the Community must ratify the Council of Europe's Social Charter and the International Labour Organization's Conventions on fundamental social rights and the areas covered by Community law;
17. Regards the competences transferred to the Community in the environmental sphere as adequate on condition that their exercise is subject to the joint decision-making procedure set out below;

Fundamental rights and freedoms and a citizen's Europe

18. Calls for the incorporation into the Treaties of the declaration of fundamental rights and freedoms approved by the European Parliament on 12 April 1989 ⁽¹⁾; calls for the incorporation into the Treaties of the Declaration against racism and xenophobia adopted by Parliament on 11 June 1986; calls for the Court of Justice to have jurisdiction for the protection of these fundamental rights vis-à-vis the Community with the possibility of direct access to the Court of Justice for Community citizens after national appeal procedures have been exhausted; considers furthermore that the Community should accede to the European Convention on Human Rights of the Council of Europe in order for the Community's procedures protecting fundamental rights to be subject to appeal to an external body at least in the areas covered by the Convention (in the same way as individual States, even those with charters of rights of their own, are subject to the European Convention);

19. Calls for provisions to be incorporated into the treaties providing for the development of common forms of European citizenship through such measures as voting rights for Community citizens in municipal and European elections in their Member States of residence;

Improving the decision-taking capacity of Council

20. Believes that unanimity should no longer be required for decision-taking in Council, except for constitutional matters (revision of the treaties), accession of new Member States and extension of the field of Community responsibilities (Article 235); considers that the requirement for unanimity for ordinary Community legislation and policies is tantamount to the dictatorship of the minority; considers that the experience of the recent extension of the field of majority voting shows that a significant improvement in the decision-taking capacity of the Council can be achieved by this means;

21. Considers that Council should hold its meetings in public when adopting Community legislation, in order to allow more openness and better scrutiny;

22. Considers it essential to ensure the participation of the regions by means of a body consisting of representatives of the regional authorities in the Member States, whose function would be comparable to that of the Economic and Social Committee in its specific field;

23. Is aware that many national parliaments are seeking to improve their scrutiny over their country's member of Council; expresses its readiness to assist the parliaments of the Member States with access to information; will continue to cooperate with the parliaments of the Member States in the now regular meetings that take place at various levels between these parliaments and the European Parliament;

⁽¹⁾ OJ No C 120, 16.5.1989, p. 51.

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considers, however, that it would not be useful to set up a new institution or 'chamber of national parliaments' alongside the European Parliament, as:

- experience of the European Parliament prior to direct elections shows the practical limitations of such a body;
- Community institutions already include a body representing Member States (the Council) and a body representing the electorate directly (the European Parliament);
- decision-taking would become even more complex and therefore less transparent;

and instructs its Committee on Institutional Affairs to prepare practical proposals for improving cooperation with national parliaments;

Strengthening the Commission's implementing powers

24. Considers that the amendment of Article 145 EEC by Article 10 of the Single European Act has not been properly implemented and Declaration No 1 annexed to the Single Act has not been respected;

25. Calls for an amendment to Article 155 of the EEC Treaty and a corresponding deletion in Article 145 of the EEC Treaty in order to clarify that implementing powers should in all cases be conferred on the Commission which, for this purpose, may be assisted by an advisory committee (purely consultative) or a management committee (able, by a qualified majority, to suspend Commission decisions and refer them to the legislative authority (Parliament and Council));

26. Considers that democratic scrutiny of Commission implementing provisions should be ensured by means of an obligation on the Commission to inform Parliament and Council immediately of any such measures and to discuss them with the appropriate organ of Parliament or Council when requested, and that Parliament should have a period of one month after publication of such provisions in which to decide whether it wishes to subject them to the legislative procedure;

27. Believes that the Commission's responsibility to implement the budget as adopted should not be fettered by any committees other than advisory committees;

Strengthening the Community's ability to enforce application of its law

28. Believes that in order to be in a position to check on the implementation of Community law, the Commission must be reinforced by the creation of European Inspectorates working with or within it, most notably and urgently in the field of the environment, and that such Inspectorates should have the task of checking that national authorities are properly applying EC law;

29. Considers it necessary for the Court of Justice to be given powers, to be written into the Treaties, to impose sanctions, including financial sanctions, on Member States which fail to apply Community legislation or implement Court judgments;

Reforming the financial arrangements and in particular the system of own resources

30. Considers that, with the achievement of economic and monetary union and political union, the financial arrangements laid down in the Treaties are no longer adequate; considers, therefore, that there is a need for an overall review of those financial arrangements on the basis of a greater balance between the two branches of the budgetary authority and, in particular, that:

- Article 199 of the EEC Treaty should cover the financial activities of all the Communities, including those (e.g. EDF, ECSC) which have for various reasons not hitherto been included in the budget, and should also cover borrowing and lending operations;
- Article 201 should outline a full own resources regime which would ensure complete financial autonomy and sufficient financial resources for the Community; at all events, in order to ensure coverage of all budget expenditure, Article 200 should be updated,

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- the multiannual financial estimates, as drawn up and periodically updated by the Council and Parliament, should form the basis of the budgetary procedure;
- in Article 203, all the special rules concerning compulsory expenditure should be deleted; the maximum rate rule should be replaced by a multiannual and annually rolling expenditure plan, to be determined jointly by Parliament and the Council;
- Articles 204 to 209 should be adapted in accordance with the plan to increase the powers of Parliament;

Recognizing the duality of Community legitimacy: Council and Parliament

31. Considers it to be absolutely essential that Community legislation should be adopted by a procedure of co-decision between Parliament and Council;

32. Believes that the proposal contained in the memorandum of the Belgian Government represents a significant step towards a co-decision procedure, but considers that such a method gives too much weight to the final possibility for the Parliament to reject legislation in what amounts to a third reading and a simple veto power might cast Parliament in a negative light, as holding up the progress of the Community and causing interinstitutional conflict;

33. Calls for Parliament and the Council to be given equal rights and equal weight in the legislative process, provision being made for a mechanism to settle disputes between the two bodies which compels them to cooperate on an equal footing in accordance with the following procedure:

- (a) Commission proposals should be forwarded to Parliament which would have the right to approve, amend or reject them; amendments rejected by the Commission would require the support of a majority of the Members of Parliament;
- (b) Council could then approve, amend or reject such proposals; it could approve by a majority any text in the form adopted by Parliament; it could amend such texts by a qualified majority where the Commission approved of such amendment or by unanimity where the Commission disapproved; it would require unanimity to approve a proposal rejected by Parliament;
- (c) At first reading, flexible deadlines should be set to permit either of the two branches of legislative power to request application of the urgency procedure to a proposal which is being blocked by the other;
- (d) If the text approved by Council conformed to that of Parliament, it would be definitively adopted; where it differed from that of Parliament, Council's position would be referred back to Parliament for a second reading;
- (e) Parliament, in its second reading, could, by simple majorities, either approve Council's text, or request the opening of the conciliation procedure; should a proposal not be approved within 3 months, it would be referred to the Conciliation Committee;
- (f) The Conciliation Committee would comprise an equal number of members of both institutions; members would not be bound by instructions;

The Commission would participate in the work of the committee;

The text agreed on by the committee would be forwarded to the Council and to Parliament for their decision. No further amendments would be admissible;

Should it not secure a majority in one of the two institutions, the legislative procedure would be closed;

- (g) Proposals adopted by both Council and Parliament would become law upon the signature of the Presidents of the two institutions;

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34. Calls for Parliament also to be given the right to initiate legislative proposals in cases where the Commission fails to respond within a specified deadline to a specific request adopted by a majority of Members of Parliament to introduce proposals; in such cases a Parliament proposal adopted by a majority of Members would be the basis for the subsequent stages of the legislative procedure described above;
35. Calls for Parliament to be given the right to elect the President of the Commission on a proposal from the European Council; the President should, with the agreement of Council, choose the Members of the Commission; the debate and the vote of confidence in a new Commission, which Parliament has held since 1981, should now be formalized in the Treaties;
36. Considers that the procedure whereby Parliament gives its opinion on each nomination to the Court of Auditors should be modified to provide for Parliament to give its approval by a simple majority to nominations to the Court of Auditors and that the same procedure should apply to nominations to the Court of Justice;
37. Calls for the budgetary control powers of the European Parliament to be enhanced and democratic control reinforced, and in particular:
- (a) calls for the principle that the observations made in the discharge decisions are binding on all the institutions to be enshrined in the Treaty;
 - (b) calls for the discharge authority's right to ask the Court of Auditors to carry out investigations and submit reports to be enshrined in the Treaty;
38. Calls for the essential right to go to the Court of Justice for annulment should be explicitly granted to the European Parliament in the Treaties;
39. Demands that each of the three other institutions be entitled to consult the Court of Justice in respect of any matter regarding the interpretation of the Treaties;
40. Considers that Parliament should have a right, enshrined in the Treaties, to establish committees of inquiry to investigate alleged contraventions of Community law or instances of maladministration with respect to Community responsibilities; the Treaties should provide for an express obligation on Community institutions and other Community and Member State authorities to cooperate with such an inquiry;
41. Calls for Articles 216(EEC), 77(ECSC) and 189(EAEC) to be amended to give the European Parliament the right to fix its own seat unless, within two years, the Member States can finally agree (after a delay of over 30 years) to exercise their power and responsibility 'to determine the seat of the institutions of the Community' under the existing Articles;
42. Believes that the assent procedure should be extended to include Treaty amendments (Article 236 EEC and its equivalents in the other Treaties), the uniform electoral system and all significant international agreements entered into by the Community;
43. Undertakes to submit appropriate drafts of Treaty articles and amendments conforming to the above requests in due time before the beginning of the intergovernmental conferences as part of its formal opinion required under Article 236(EEC) for the convening of the conferences; expects the intergovernmental conferences to examine Parliament's requests and either to incorporate them as such in the Treaty revision or to agree with Parliament on alternative possibilities, in accordance with the procedure put forward in paragraph 5 of its resolution of 14 March 1990;
44. Confirms its decision to deliver an opinion pursuant to Article 236 of the EEC Treaty on the convening of the Intergovernmental Conference on political union, on the basis of the results of the preparatory interinstitutional conference and in particular the consensus reached with the governments of the Member States and the Commission on the agenda for the conference and the role of the European Parliament;

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45. Calls for a move from the present Community based on Treaties to a Union of federal type on a constitutional basis and demands therefore the amendment of Article 236 of the EEC Treaty, the new version of which should provide for approval of constitutional amendments by the two legislative arms (Council and Parliament) and their subsequent ratification by the Member State parliaments;

46. Considers in any event that such a major revision of the Treaties should be elaborated and agreed jointly by the representatives of the Member States and the representatives elected by the citizens of Europe to the European Parliament;

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47. Instructs its President to forward this resolution to the Commission, the Council, the Court of Justice, the Court of Auditors, the Economic and Social Committee, the governments and the parliaments of the Member States and Applicant States and the consultative committee of local and regional authorities and to use this resolution for his submissions to preparatory meetings of the IGC, to 'the Assizes' and to European Council meetings.

