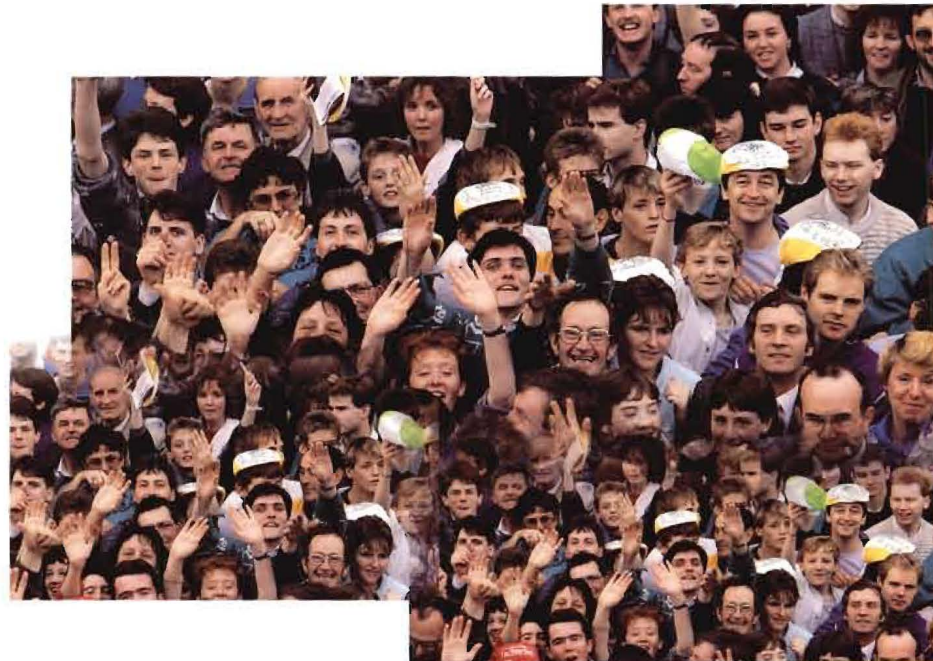


Treaty of Amsterdam: what has changed in Europe



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Signing of the Treaty of Amsterdam, 2 October 1997.

On 1 May 1999 the Treaty of Amsterdam came into force and the European Union has emerged somewhat altered. It now has new responsibilities, its citizens have a greater say in its affairs, and its institutions are more democratic. In the past, European integration had mainly centred on economic goals, but now the emphasis has shifted to the EU's political responsibilities at home and on the wider international stage.

The origins of the new Treaty go back to June 1994, when EU leaders summoned together a special Reflection Group to consider future reforms. Eventually, after an intergovernmental conference lasting over a year, the Treaty of Amsterdam was finalised on the night of 17 to 18 June 1997 and signed on 2 October later that year. Why a new Treaty, so soon after two other major reforms of the EU's powers and institutions in 1986 (Single European Act) and 1992 (Maastricht Treaty)? The fact is that a number of issues had still been left unresolved—issues such as citizens' rights and influence, institutional

efficiency and democracy, and the EU's place in international affairs.

The Maastricht Treaty had created European citizenship, introducing a set of rights and obligations for citizens of the Member States. But it did not offer much real substance. Public reaction when the Treaty came to be ratified, especially in countries where a referendum had to be held, clearly showed that people would not go along with any further moves towards closer European integration unless more account was taken of their concerns, hopes and criticisms.

Maastricht had also taken the earlier reforms of 1986 a step further, improving the way the Community institutions worked and strengthening the European Parliament's powers, both in law making and as a watchdog. But it still did not go far enough, especially now that the EU faced two new challenges: the introduction of the euro, with close economic policy coordination; and the prospect of enlargement to embrace almost the entire continent.

Lastly, the cold war was over and the world no longer divided into two opposing camps. Europe had to rethink its approach to international affairs in a rapidly changing world. The Maastricht Treaty had set about defining new structures and procedures, but there was still room for further reform in foreign policy and defence.

Maastricht in brief

The Maastricht Treaty amended the original treaties setting up the European Communities, dating back to the 1950s. It brought together in a single text (the Treaty on European Union) all the existing Treaty provisions, plus two major new sections covering foreign policy coordination and cooperation in the fields of justice and home affairs. These are the three 'pillars' on which the Union is built, each with its own rules and procedures, but all coming under a single 'roof'. The Treaty of Amsterdam retained the same overall architecture.



(European Community,
European Coal
and Steel Community,
European Atomic
Energy Community)

The three 'pillars' of the European Union

Like Maastricht, the Treaty of Amsterdam amends the EU's founding treaties (as revised by Maastricht). Once the initial preparations were completed, the Member States had to follow the formal amendment procedure required by Community law.

As the timetable shows, the negotiations were long and complex. Around the table were representatives of the 15 Member States and the European Commission, with observers from Parliament often also present. The negotiations went ahead on three levels.

- Foreign ministers' personal representatives – ministers or top civil ser-

vants – generally met once a week throughout the conference.

- The foreign ministers themselves met as a rule once a month.
- The government leaders (Heads of State or Government) met on several occasions to settle key sticking points.

The negotiations were much more open to public scrutiny than at the time of Maastricht. Lobby groups, trade unions, and non-governmental organisations followed their progress, submitted proposals and ideas, and even held public demonstrations.

Amsterdam: timetable

- June 1994:
the European Council in Corfu calls together a Reflection Group comprising 15 representatives of the Member States' foreign ministers, one Commission representative, and two observers from Parliament.
- June 1995:
first meeting of the group.
- December 1995:
report submitted to the European Council in Madrid.
- January 1996:
decision to convene an intergovernmental conference.
- February to March 1996:
Commission and Parliament deliver their opinions.
- March 1996:
EU Heads of State or Government open the conference in Turin.
- June 1997:
closing session of the conference with EU leaders in Amsterdam.
- October 1997:
signature of the Treaty of Amsterdam.
- November 1997:
Parliament resolution on the Treaty.
- 1998–99:
ratification by the 15 Member States.
- May 1999:
the Treaty enters into force.

Reflecting the 'three-pillar' structure, this description of the Treaty of Amsterdam is divided into three main sections:

- the European Union and its citizens;
- the identity of the Union on the international stage;
- the EU institutions.

The European Union and its citizens

Citizens' rights

The first European treaties gave citizens a range of individual rights based essentially on freedom of movement between the Member States. The Treaty of Maastricht added the right to vote and stand as a candidate in European and local elections. The Treaty of Amsterdam, on the other hand, focuses on fundamental rights – rights underlying the Member States' constitutions – which affect everyone. The result is a fairly extensive system of individual rights.

The new Treaty concentrates on three main areas.

- The EU's obligation to observe fundamental rights, in particular those enshrined in the European Convention for the Protection of Human Rights and Fundamental Freedoms, adopted by the Council of Europe in 1950. Any Member State guilty of serious and systematic infringements will be liable to penalties, going as far as having its right to vote in the Council suspended. Equally, respect for fundamental rights is a precondition for applicant countries to join the EU.



To combat discrimination based on sex, race or ethnic origin, religion or belief, disability, age or sexual orientation.

PHOTO: STEVE HARRIS

- The EU's right to act against any kind of discrimination based on sex, race or ethnic origin, religion or beliefs, disability, age or sexual orientation.
- The EU's obligation to promote equal opportunities for men and women in all its policies, above and beyond the existing treaty rules on equality in the sphere of social affairs and employment. In employment, the new Treaty opens the door to 'positive discrimination' if one of the sexes is clearly disadvantaged.

In addition, the Treaty recognises the right to privacy where personal data held by the institutions are concerned. This is a right that is becoming increasingly important with advances in information technology.

The result is a rich and open structure that will allow and encourage the further extension and protection of citizens' rights. It represents an initial response to the wish voiced by some Member States and many individuals for the EU to have its own system of fundamental rights, complementing the rules already established by the European Court of Justice. Two outstanding questions remain. Should the EU formally sign up to the European Convention on Human Rights? Should it frame its own list of fundamental rights?

Responding to citizens' concerns

The Treaty of Amsterdam does not confine itself to dealing with citizens' rights in the abstract. It also responds to people's practical concerns where their rights are under threat and corrective action is needed. The new EU rules can be grouped under four headings:

- employment and social affairs;
- security, freedom and justice;
- the environment, health and consumers' rights;
- people's values and aspirations.

Employment and social affairs

Employment is one of the prime areas of concern in society today. Many people – including many young people and women – are currently out of work or face the prospect of unemployment. It is a problem affecting every country in Europe, so action by the EU is essential. And the governments considered the problem so urgent that – together with the stability pact on public finance and growth that accompanied the launch of the euro – they decided to implement this part of the Treaty ahead of schedule without even waiting for it to be ratified. In concrete terms, there were three main innovations, as follows.

- The EU has to formulate a European strategy, while the Member States draw up national employment programmes, which the Council assesses each year against the background of the joint European strategy.
- The EU now has the right to take certain measures to encourage cooperation between the Member States and to supplement their action.
- An employment committee has been set up to coordinate national employment and labour market policies.

This approach has made it possible to reconcile two conflicting principles: providing a specific EU commitment on employment – an innovation that was a bone of contention throughout the intergovernmental conference – while recognising that employment is still primarily a matter for the Member States themselves.

More generally, the European Union will have wider scope for action in the social field than under Maastricht. First of all the new Treaty does away with the anomaly of the United Kingdom's opt-out. Social policy now covers all the Member States. Secondly, the EU can support and supplement national efforts in the broad field of fundamental social rights, as defined by the European Parliament in 1989. Lastly, the Treaty gives the EU powers to tackle poverty and social exclusion and improves some of the existing arrangements, especially on equal opportunities between men and women.

To improve the employment situation, a European strategy supplemented by national programmes.



REPORTER: PH. RENOUIS

Security, freedom and justice

Freedom of movement, one of the European Community's main goals from the very outset, is now largely a reality. But although citizens already enjoyed the right to move freely in the EU, the formalities still sometimes posed problems. The Schengen agreements (covering all the Member States except Ireland and the United Kingdom) have made that right more tangible than ever, scrapping practically all internal border controls. On the other hand, public opinion is growing increasingly concerned about internal security, especially in view of the spread of serious international crime. With the number of victims constantly on the increase, effective cooperation between the countries of Europe is all the more vital.

Not all the problems in this area have been resolved yet. The main difficulties are:

- differences between Member States in civil law and procedure, resulting in obstacles to free movement;

- differences in the law on immigration and the right of asylum;

- poor cooperation between the criminal courts and between police forces in the different Member States.

The EU had already begun tackling these issues following Maastricht. But it could only do so through intergovernmental cooperation on justice and home affairs, and the results were very modest. Democratic control was limited, the scope for action hamstrung by the need for unanimous decisions, and judicial control at European level non-existent. And although some successes were achieved – setting up Europol, for instance, to create a nucleus for police cooperation – a fresh impetus was needed. The Treaty of Amsterdam has brought in three innovations, opening up the prospect of completing an ambitious programme.

- First, it sets out to create an area of freedom, security and justice inside the Community, spelling out a five-year programme for the European institutions to adopt the necessary measures. This will involve putting



Working together to combat international crime and illegal trafficking more effectively.

the finishing touches to full freedom of movement and setting common rules for immigration and asylum, based on respect for fundamental rights, with the ultimate aim of allowing immigrants to move freely inside the EU. It will also require wider cooperation on civil law and procedures (take, for instance, the problems posed by so many 'transnational' divorces), as well as administrative and customs cooperation. During this initial five-year phase, the Council will take decisions by unanimity. But qualified majority voting should then gradually come in, with decisions being taken jointly by the Council and Parliament, so that eventually Parliament, the Commission and the Court of Justice will all play a full part.

- Second, the Member States will be able to set binding rules for intergovernmental cooperation on crime and policing. The principle of unanimity has been relaxed to allow implementing decisions, at least, to be taken by a qualified majority. The Treaty also allows what is termed 'closer cooperation' – countries can agree rules which, at least initially, will only apply to those who sign up. Lastly, the Treaty gives Member States the option of allowing the European Court of Justice to rule on disputes in this area, and the vast majority of them have already agreed to this.

- Lastly, the Treaty allows the Schengen agreements and all the arrangements stemming from them (known as 'the Schengen *acquis*') to be incorporated into the EU's legal order. Denmark, Ireland and the United Kingdom have, however, been allowed to put off implementing these arrangements until a later date.

Qualified majority voting in the Council

A qualified majority in the Council requires 62 votes out of 87 for decisions where there has to be a proposal from the European Commission. In the other cases, it requires 62 votes in favour from at least 10 Member States. Germany, France, Italy and the United Kingdom each have 10 votes, Spain 8, Belgium, Greece, the Netherlands and Portugal 5 each, Austria and Sweden 4, Denmark, Ireland and Finland 3, and Luxembourg 2.

The environment, health and consumers' rights

These are three policy areas that have a direct daily impact on people's lives and are a major focus of public concern. After all, to be able to live a healthy life in a healthy environment is a common enough human aspiration. It is hardly surprising then if any threat to people's health, their environment, or the quality of the products they consume provokes a powerful reaction.

With the free movement of goods inside the single European market, the EU's openness to the world market, and the rapid pace of technological change, it is ever more vital for the Community to act in concert. The Treaty of Amsterdam has responded with a series of improvements, giving the EU considerably wider powers to act.



STEFAN R. HANSEN

Europeans demand a better environment.

- On the environmental front, the key innovation is the obligation on the EU to take account of environmental protection requirements in defining and implementing all its policies. The Treaty also makes sustainable development – the new watchword of environmental policy – one of the EU's primary goals. Thanks to the new Treaty (even though it was not yet ratified at the time), the EU was able from the start of 1998 to take a firm stance on cleaning up the terrestrial environment at the Kyoto World Summit.

- For consumers, the Treaty gives the EU powers to promote their right to information and education and, above all, their right to organise in order to secure better protection. This is recognition of the key role played by consumer organisations.

- Finally, in the wake of the BSE crisis and the scandal surrounding AIDS-contaminated blood, the Treaty boosts the EU's powers in the area of health. The principles are clearly defined, giving the EU responsibility for

legislating in specific circumstances in order to ensure a high level of health protection. On a proposal from the Commission, Parliament and the Council will be able to adopt rules on:

- organs and substances of human origin, including blood;

- veterinary and plant health problems affecting public health.

In other cases, the EU will be able to support action by the Member States. But it will not be able to harmonise national legislation, which will continue to vary considerably from one country to another, especially as regards health care.

People's values and aspirations

Besides the issues discussed above, people also have other concerns to do with their values, their ideas, and their view of the world or what it should be.

Of course, the Treaty could not simply come up with hard and fast rules.

Nevertheless, the negotiators showed their readiness to respond by touching on a wide range of issues reflecting people's values and aspirations – and even dealing with some practical aspects – in a series of accompanying protocols or declarations. These do not necessarily amount to binding obligations, but they do represent political commitments. Among those that deserve particular mention are:

- abolition of the death penalty;
- recognition of the role of voluntary services;
- the needs of the disabled;
- the role of the churches and non-denominational organisations;
- the special problems of island regions;
- the social function of sport;
- freedom of the press and freedom of expression in the other media;
- public service radio and television broadcasting;
- the role of public credit institutions and certain forms of savings institutions (in Germany, Austria and Luxembourg, for instance);
- animal protection and welfare.

At the heart of the Treaty of Amsterdam: rights, aspirations and citizens' powers.



JAC. DEWIL

Citizens' political influence

The citizen is the main driving force of political action in any democratic society. Both by virtue of their constitutions and under the Treaty itself, the Member States must be democracies. Likewise the European Union must, as its responsibilities increase, make itself more firmly democratic.

This is the reason behind the gradual, and quite substantial extension of the European Parliament's powers since the Single European Act in 1986 and behind the growing emphasis on the national parliaments' role in European affairs. At the same time, an effort was made to broaden citizens' electoral rights, above all for those living in other Member States. The options for obtaining legal remedy were also extended beyond the national and European courts, with the appointment of a European ombudsman.

The Treaty of Amsterdam continues along the same path, in particular

giving national parliaments much wider scope for influencing the course of events, as we shall see later. In addition, the Treaty:

- confirms and clarifies the principle of subsidiarity, under which decisions have to be taken as closely as possible to the citizen;
- recognises people's right to have access to documents from the European institutions (the rules will be decided by Parliament and the Council, on a proposal from the Commission). This is a key element towards meeting people's legitimate expectation that the institutions should operate in an open and transparent manner. The European Court of Justice had already recognised the need to guarantee such access, and it was therefore only reasonable that the Treaty should take this into account;
- guarantees stronger action to combat fraud against the EU budget. The new European anti-fraud office (OLAF) should ensure that less taxpayers' money is wasted.

The identity of the Union on the international stage

From the earliest days, the advocates of European integration dreamt of a European foreign policy. But although the original Treaties gave the Community a fairly wide remit on foreign trade and development aid, they were completely silent on diplomacy and defence.

Attempts to fill these gaps in 1954 and 1967 ended in failure. In 1970 the first 'Davignon report' led to the Member States launching a form of foreign-policy consultation ('European Political Cooperation'), although it was not formally enshrined in the Treaties until 1986, under the Single Act. With the international situation transformed by the end of the cold war, the Maastricht Treaty introduced a single set of rules for a common foreign and security policy (CFSP), including, in time, a common defence policy.

The common foreign and security policy

Faced with the prospect of a fresh wave of new members, which only highlights even more clearly the need for a common foreign and security policy, the Amsterdam negotiators wanted to extend the arrangements agreed since Maastricht, while



'The tragedy of Kosovo dramatically highlights the increasingly important part the European Union has to play in guaranteeing security and democracy in areas vital to our future'
(Romano Prodi, President of the European Commission, addressing Parliament on 13 April 1999).

making them more consistent with the Community's traditional external activities.

The Treaty of Amsterdam sets out the guiding principles underlying the EU's foreign and security policy:

- first, to safeguard the common values, fundamental interests, independence, integrity and security of the Union;
- second, to preserve peace and strengthen international security and cooperation, and to consolidate democracy, the rule of law and fundamental rights.

In pursuing these goals it must act in accordance with the principles set out in the United Nations Charter and in the European peace and security accords. This implies commitments on the part of the Member States and, above all, obligations of loyalty and mutual solidarity.

To put these principles into practice, the Treaty of Amsterdam reinforces the decision-making procedures and structures, before going on to address the defence issues.

Decision-making procedures

A genuine common foreign policy requires effective procedures. The Treaty of Amsterdam took into account some of the criticisms levelled at the Maastricht Treaty. Basically decisions are taken in two stages:

- the European Council (the Heads of State or Government plus the President of the Commission) decides common strategies and guidelines by consensus;
- the Council (made up of the foreign ministers) decides joint actions and common positions. Decisions putting into practice a common strategy already agreed by the European Council are taken by qualified majority. However, if a Member State has major reservations, it can ask for the decision to be referred back to the Heads of State or Government. Otherwise the Council normally takes decisions unanimously, although it can ignore 'constructive' abstentions if the countries abstaining do not account for more than one third of the votes.

The European Commission and Parliament also play their part in the decision-making process. The Commission has to make sure that Community activities are consistent with the CFSP, while Parliament delivers opinions and has to approve the necessary budget appropriations.

Structures

To implement a common policy effectively there have to be the proper political and administrative structures. The Treaty of Amsterdam gives a human face to the common foreign and security policy in the shape of a High Representative (a 'Mr or Ms CFSP'), who will direct the action decided by the Council, working in a three-person team ('troika') with representatives of the Council Presidency and the Commission.

The High Representative – who is also Secretary-General of the Council – is assisted by a policy planning and early warning unit, responsible in particular for centralising and analysing information from the Member States, from the European Commission and from the WEU (Western European Union).

Defence

Recent international crises have clearly shown up the need for foreign policy to be backed by military capability. This is especially true when it comes to humanitarian and peace-keeping or peacemaking missions, which are explicitly covered by the foreign and security policy under the Treaty of Amsterdam.

The Western European Union

The WEU has 28 member countries and is a valuable forum for dialogue and cooperation on security and defence. It includes 10 EU members who are also members of NATO. The five other EU countries have observer status; they are Denmark and the four EU Member States outside NATO (Ireland, Austria, Finland and Sweden). The WEU also includes – as associate members or partners – the European members of NATO who are not in the EU, plus the countries of central and eastern Europe that have concluded Europe Agreements with the EU.

Javier Solana, Secretary-General of the Council and the EU's first High Representative for the foreign and common security policy.



FOXPRESS/CLAUDETTE

The issue, however, is extremely complex. One major problem is the differences between Member States in terms of their military stance. Four Member States are neutral (either traditionally or by virtue of their constitutions) and so are not members of any military alliance, whilst the other 11 belong to NATO. In addition, many of the Member States have developed bilateral or multilateral military cooperation with one another. Nonetheless, the Treaty of Amsterdam envisages the emergence, in time, of a genuine common defence policy.

To meet any immediate operational military needs, the European Union can already call on the WEU. Although the membership of the two organisations is not entirely the same, the Treaty of Amsterdam explicitly states that the WEU is an integral part of the development of the Union and allows for its eventual full integration into the European Union.

In concrete terms, the Treaty lays down the ground rules on how the two organisations will cooperate from now on.

- The European Council can lay down guidelines for joint action involving recourse to the WEU.
- EU Member States not belonging to the WEU but taking part in any such joint action will then have a full say in any decisions taken under the WEU.

A number of protocols and WEU decisions spell out the detailed procedures for EU–WEU cooperation.

The common commercial policy

From the very outset the European Union has had responsibility for formulating a common policy on foreign trade. Decisions are taken by the Council by qualified majority, avoiding the need for unanimous agreement. But the Treaty rules were drawn up in the 1950s and have since been overtaken by economic developments and the expansion of international trade in new sectors. The result has been to blur the lines of responsibility in some areas – notably intellectual property, services and investments. That does not prevent the EU from playing an active part in the work of the World Trade Organisation, but it does mean that it has to work alongside the individual Member States. And since they have to agree unanimously, this makes negotiations more complex and sometimes less effective.

This issue was discussed in Amsterdam but a solution was put off for the time being. The Treaty does, in fact, open the way for the Council to decide unanimously that the common commercial policy includes intellectual property and services. This would enable the EU to negotiate international agreements by qualified majority in these areas too.

The EU institutions

Since the first direct elections to the European Parliament in 1979, European integration has moved quite a long way, making it necessary to strengthen its democratic foundations. Europe's wider responsibilities also meant that the EU needed to make its decision-making procedures more effective.

The new Treaty has introduced changes on both these fronts, building on the achievements of the Single Act and the Maastricht Treaty:

the role of the European Parliament has been strengthened;

national parliaments can exercise better control;

the areas where the Council decides by a qualified majority have been extended;

the Commission's legitimacy and effectiveness have been enhanced;

- the Committee of the Regions and the Economic and Social Committee have been given a wider role;
- various other procedures have been improved;
- the door has been opened to closer cooperation where a majority of Member States are in favour.

The European Parliament

The reforms affecting Parliament cover four areas:

- Parliament has been granted the power to set its own rules for its mem-



Parliament in session.

bers. It can now lay down rules after obtaining the Commission's opinion and the unanimous approval of the Council. This will help to reduce disputes arising from the fact that the rules governing MEPs are still largely based on differing national rules.

- It has been given a greater say in the appointment of the Commission. Previously, Parliament could only express an opinion on whoever the governments proposed as the new Commission President. Now it has to approve the nomination first. Subsequently Parliament approves the appointment of the Commission as a whole (a right it already enjoyed under the Maastricht Treaty).
- Its legislative powers under the co-decision procedure have been simplified and extended, as we shall see later. The Council cannot now adopt an act under this procedure without the agreement of Parliament.
- Its powers of budgetary control have been extended to include the CFSP.

All in all, Parliament's authority has been strengthened and this, in turn, strengthens the democratic foundations of the Union.

National parliaments

EU decisions are taken by the Council or by Parliament and the Council together. Since the late 1980s, national parliaments have pressed for the opportunity to state their views before their governments do so in the Council. They also want a better general overview of the workings of the EU. A declaration accompanying the Maastricht Treaty had already touched on these issues and now a protocol to the Treaty of Amsterdam has set out some important rules, as follows.

- The European Parliament and national parliaments are urged to develop closer cooperation.
- All Commission preparatory documents (communications, Green Papers, White Papers, etc.) and proposals for legislation must be forwarded to the national parliaments. They then have a six-week time limit to give their views before the Council proceeds to a vote.
- In certain fields (freedom, security and justice) the views expressed by national parliaments will carry special weight.

Of course, none of this affects the specific tasks already reserved for national parliaments under the existing Treaty rules – such as ratifying amendments to the Treaties, defining the EU's own resources or transposing European directives into national law.



A Council meeting.

The Council

The Treaty of Amsterdam did not significantly alter the rules governing the Council. However, it does make decisions easier by dropping the unanimity requirement in some areas and allowing qualified majority voting instead (see earlier box). This applies to certain decisions on freedom of establishment and on research and development. The qualified majority rule also governs some new areas of responsibility assigned to the EU by the Treaty of Amsterdam and some of the new foreign policy procedures. In addition, some decisions have been delegated to the Permanent Representatives Committee, whose task is to prepare the ground for Council meetings.

It must also be remembered that the Secretary-General of the Council is now the EU's High Representative for the CFSP and that the policy planning and early warning unit that assists him operates within the Council.

The European Commission

The European Commission's role, and in particular its right of initiative, is left untouched – although in the new area of freedom, security and justice (the 'third pillar' fields from Maastricht that have now been brought fully under Community responsibility), it will not have the sole right of initiative until five years after the Treaty comes into force.

On the other hand the Treaty does affect the shape of the Commission as a body. The President's personal authority is boosted by the fact that his appointment now has to be approved by Parliament. It also strengthens his position considerably.

- The President of the Commission is consulted on the choice and appoint-

ment of members by the Member States.

- He enjoys broad powers to allocate or reassign Commissioners' portfolios.

- He sets the policy guidelines of the Commission.

The Court of Justice

The Treaty of Amsterdam changes neither the role nor the membership of the European Court of Justice or the Court of First Instance, which assists it. However, the range of cases where the Court may be called on is now wider.

- It is responsible for ensuring that the European institutions respect fundamental rights.

*Romano Prodi,
President of the
European Commission.*



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*The Court of Justice
in session.*

- It has been given the power to rule on questions concerning the area of freedom, security and justice. However, only national courts or tribunals of last instance can refer questions to the Court of Justice in this area.
- As mentioned earlier, the Member States can, if they wish, recognise the Court's jurisdiction on matters relating to cooperation between criminal courts and police cooperation.

The Economic and Social Committee

The Committee's advisory function within the EU institutional system has been slightly strengthened, since it can now be consulted directly by Parliament rather than only by the Commission and the Council.

The Court of Auditors

Responsible for ensuring that EU expenditure serves its objectives and obeys the rules governing the EU budget, the Court of Auditors now has the following somewhat wider powers.

- Like the other institutions, it can now bring actions before the Court of Justice to protect its prerogatives.
- Its audit powers now cover all recipients of Community funds.

The Committee of the Regions

The Committee of the Regions has also been given a stronger role. It represents the point of view of regional and local authorities, who are increasingly affected by Community activities. Three points should be noted as follows.

- The Committee has been given wider powers to run its own affairs (it was previously subject to control by the Council).
- The number of areas where its opinions are required has increased.
- Parliament is now formally entitled to receive the Committee's opinions and can also consult the Committee on specific issues.

The new co-decision procedure

The co-decision procedure now works as follows.

- (a) If Parliament and the Council agree on a Commission proposal, it is approved.
- (b) If they disagree, Parliament can either accept the Council's common position, or reject or amend it by a majority of its members.
- (c) If the Council cannot accept the amendments, it convenes a conciliation meeting, after which Parliament and the Council approve the agreement reached. If they are still unable to agree, the proposal is not adopted.

Decision-making procedures

Community decision-making procedures remain essentially the same as under Maastricht. However, there have been considerable adjustments to make them more democratic and effective, with two especially significant changes.

- The cooperation procedure introduced in 1986 with the Single Act – where Parliament and the Council give Commission proposals two readings – has almost disappeared (except in two instances to do with economic and monetary union). It has been replaced by the 'co-decision procedure'.

- The scope of the co-decision procedure – which was the biggest step taken by the Maastricht Treaty towards strengthening Parliament's role – has been extended, making it more effective and even more favourable to Parliament.

... Parliament and the Council can now take decisions after only a single reading (previously there had to be two readings by both, even if they were in agreement from the outset).

... Parliament can reject the Council's 'common position' at the second reading without having to go through the additional conciliation procedure.

... If conciliation with Parliament after the second reading fails, the proposal is deemed not to have been adopted and the matter ends.

'Committee procedures'

Besides the decision-making procedures laid down for the adoption of basic legislation, the Treaties also grant the Council and Commission the executive powers needed to implement and develop the common policies. In practice, it is the Commission that exercises these executive powers. It has to follow a variety of procedures and a complex consultation system involving a host of committees made up of national officials, whose task is to assist it.

This system of 'committee procedures' (first formally set down in 1987) was not altered by the Treaty of Amsterdam, even though the need for reform was clearly evident, both in order to make the workings of the institutions more transparent and so as to take account of Parliament's new powers since the Maastricht Treaty came into force in 1993. At Amsterdam, the European Council did no more than ask the Commission to propose changes to the existing procedures. A proposal along these lines was tabled in June 1998.

Closer cooperation

The question of differentiated or flexible integration is not new. Member States have often been at odds over the pace of European integration, with some wishing to forge ahead while others have been less keen. Although solutions have always been found in the past (as with the Social Protocol or the single currency), the problem showed the need to establish an impartial legal framework, rather than always relying on individual exceptions.

The Treaty of Amsterdam therefore sets out some general conditions and mechanisms designed to enable a group of Member States to establish closer cooperation between themselves for a limited period without undermining the fundamental principles of the Treaty (in particular free movement and citizens' rights). If a group of Member States can muster a qualified majority, they can now establish closer cooperation both in the strictly Community sphere and in the field of cooperation on criminal and police matters, subject to the rules and conditions laid down in the Treaty. However, closer cooperation is not allowed in the area of the CFSP. Here, the only 'flexibility' mechanism permitted is 'constructive abstention'.

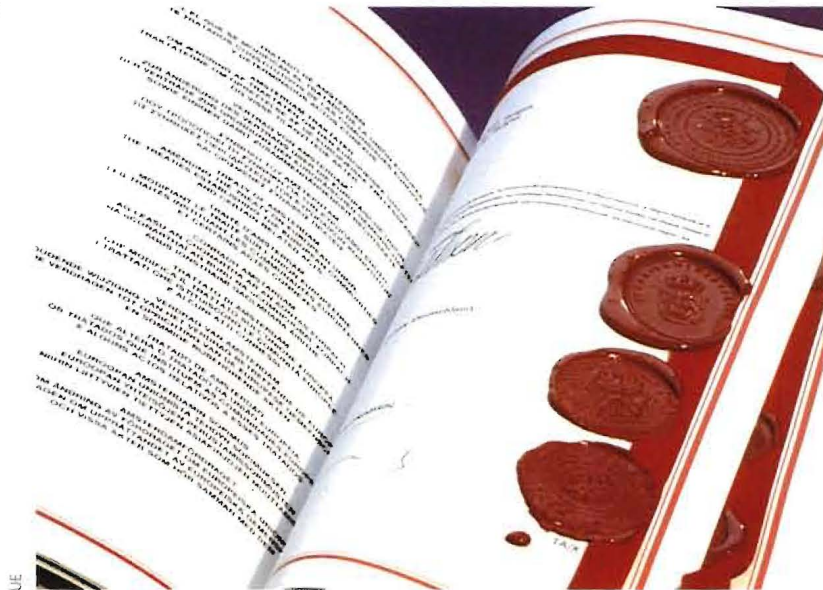
What next?

The Treaty of Amsterdam sought to tackle the issues that prompted the convening of the intergovernmental conference by amending the Treaty on European Union in a number of areas. These included citizenship in the broad sense, the common foreign and security policy, and the way the institutions are organised and operate. Naturally enough, it did not tackle certain other questions that already had their own specific timetable and dynamic, such as the introduction of the euro or the prospect of EU enlargement. Nevertheless, it left room for further change in several other areas, such as adapting the institutions for enlargement or certain aspects of foreign policy.

In the short term, then, further reforms will inevitably be needed as European integration moves forward. Some changes can be made without amending the Treaty, while others will require a new intergovernmental conference. So the new Treaty has sparked off debate on a range of issues.

- Should there be a 'constitutional' document confirming citizens' rights and obligations, as well as a commitment by the European institutions to take account of their concerns over issues such as employment and the environment?

The Treaty of Amsterdam: a glance at the closing pages.



- Should the European Union have its own separate identity and legal personality in every area of activity, including international relations?

- Should there be a European Defence Community to safeguard peace and fundamental rights, at least around the borders of the EU? Should the Western European Union be integrated into the European Union, as envisaged by the Treaty of Amsterdam?

- In commercial policy, will the Council make use of the option offered by the Treaty to give the EU the right to negotiate international agreements on services and intellectual property, taking decisions by a qualified majority?

- On the institutional front, choices need to be made. A protocol annexed to the Treaty outlines the most urgent issues. Faced with the prospect of enlargement, this 'institutional protocol' announces a review of the composition of the European Commission. The Commission currently consists of 20 members, but their number would become too large if the rules remained as they are (at present they allow for at least one Commissioner per Member State and the possibility of a second for the most populous countries). The protocol also envisages changes to the weighting of the Member States' votes in the Council (currently ranging from 10 for the four biggest countries down to two for Luxembourg). Aware of the risks of deadlock in the many instances where the Council still has to decide unanimously, three Member States even came out in favour of extending the scope of qualified majority voting before any new enlargement.

Besides these already evident problems, it is fair to ask whether the institutional structures ought not to be reviewed in greater depth in order to equip the EU better to meet the challenges of the 21st century. In particular, the Union will now have to cope with expectations for political integration at the same time as prospective enlargement promises a shift towards a continental dimension.

The debate is already under way. Meeting in Cologne on 3 and 4 June 1999, the European Council decided to begin preparations for a new inter-governmental conference in the year 2000 to tackle the reforms envisaged in the 'institutional protocol'.

This conference has to be seen as the first stage in a far-reaching broader process that will lead to a clearer definition of the political undertaking for a broad-based European Union, as announced by the Cardiff European Council in June 1998. The conference's top priorities will be to tackle the institutional issues explicitly left open by the Treaty of Amsterdam, plus all the other changes in the working of the European institutions required by the prospect of enlargement.



'Europa' – Europe on the Internet

For more information, consult the EU's 'Europa' server on the Internet at this address:

<http://europa.eu.int/abc/obj/amst/en/index.htm>

Besides the text of the Treaty and various commentaries, you will find a 'Citizen's guide', answers to frequently asked questions, and a 'User guide'

<http://europa.eu.int/scadplus/leg/en/s50000.htm>

as well as a glossary

<http://europa.eu.int/scadplus/leg/en/cig/g4000.htm>

For the official text of the Treaty, you can also go to:

<http://ue.eu.int/Amsterdam/en/treaty/treaty.htm>

For the original treaties (Treaty of Paris – 1951, Treaties of Rome – 1957, Single Act – 1987, Treaty of Maastricht – 1992, etc.), see:

<http://europa.eu.int/abc/obj/treaties/en/entoc.htm>

A 'consolidated' version of the European Treaties, including the changes made by the Treaties of Maastricht and Amsterdam can be found at

<http://www.europa.eu.int/eur-lex/en/treaties/index.html>

European Commission

Treaty of Amsterdam: what has changed in Europe

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