REPORT of the Committee on Institutional Affairs

on the structure and strategy for the European Union with regard to its enlargement and the creation of a Europe-wide order

Rapporteur: Mr Klaus HÄNSCH
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At the sitting of 14 May 1990 the President of the European Parliament announced that he had forwarded the motion for a resolution by Mr D. Martin, Mr De Gucht, Mr Herman, Mr De Giovanni and Mr Prag on the proposed pan-European 'confederation' and its implications for the institutions of the European Community, pursuant to Rule 63 of the Rules of Procedure, to the Committee on Institutional Affairs as the committee responsible and to the Political Affairs Committee (now the Committee on Foreign Affairs and Security) and the Committee on External Economic Relations for their opinions (B3-0499/90).

At its meeting of 18 December 1990 the Committee on Institutional Affairs appointed Mr Hänsch rapporteur.

At its meeting of 24 April 1991 the committee decided to include in its report the following motion for a resolution which had been referred to it:

- B3-1937/90; author: Mr Roumeliotis; subject: the new structures and institutions of the CSCE; announced in plenary sitting: 22 February 1991; responsible: Committee on Institutional Affairs.

On a proposal from the rapporteur, the chairman of the committee invited in writing both the committees asked for their opinions to extend their opinions to cover the two motions for resolutions pursuant to Rule 63 of the Rules of Procedure.

At its meetings of 29/30 January, 24 April, 18/19 September, 24 September, 29 October and 17 December 1991 and 22 January, 17 March, 22/23 April and 19/20 May 1992 the committee considered the draft report.

At the last meeting it adopted the resolution by 16 votes to 6 with 4 abstentions.

The following took part in the vote: Oreja Aguirre, chairman; Prag, Bru Puron, Melis, vice-chairmen; Hänsch, rapporteur; Aglietta, Beiroco, Bindi (for Colombo), Bossière, Bourlanges, Capucho, Cassanmagnago Cerretti, Cheysson, De Giovanni, De Gucht, Duverger, hervé (for Rothley), Lagakos, Lüttege (for David), Luster, Marinho, Martin, Musso, Perez Royo, Roumeliotis, Schodruch (for Blot) and Woltjer (for Metten).

The opinion of the Committee on External Economic Relations is attached to this report. The opinion of the Committee on Foreign Affairs and Security will be published separately.

The report was tabled on 21 May 1992.

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

on the structure and strategy for the European Union with regard to its enlargement and the creation of a Europe-wide order

The European Parliament,

- having regard to its resolutions on the political changes in Europe since 1989 and recent Europe-wide developments1 and to the constitution of the European Union2,

- having regard to the motions for resolutions by Mr Martin and others (B3-0499/90) and Mr Roumeliotis (B3-1937/90),

- having regard to the report by its Committee on Institutional Affairs and the opinions of the Committee on Foreign Affairs and Security and the Committee on External Economic Relations (Doc. A3-0189/92),

A. whereas the European Union has an increasing role and whereas increasing demands are being made on it with regard to ensuring long-term domestic and external peace among all the peoples of Europe, promoting democracy and the rule of law in all parts of Europe, bringing about socially just and regionally balanced advances in economic prosperity, securing improved protection for the natural environment, and preserving and fostering the cultural heritage throughout the whole of Europe,

1 in particular on:

- political developments in Central and Eastern Europe including the Soviet Union, and the European Community's role, 13 July 1990, A3-0712/90 (interim report by Mr Penders);
- the Helsinki II Conference, 9 October 1990, A3-0226/90 (Romeos report);
- the Intergovernmental Conferences in the context of Parliament's strategy for European Union, 22 November 1990, A3-0270/90 (interim report by Mr Martin);
- the results of the Intergovernmental Conferences, 7 April 1992, A3-0123/92 (Martin report);
- a general outline for association agreements with the countries of Central and Eastern Europe, 18 April 1991, A3-0055/91 (Randzio-Plath report);
- Community enlargement and relations with other European countries, 15 May 1991, A3-0077/91 (Planas report);
- the outlook for a European security policy, 10 June 1991, A3-0107/91 (Poettering report);
- and the other texts referred to in those resolutions.

2 On the constitutional basis of European Union, see the resolutions of 11 July 1990 and 12 December 1990, A3-0165/90 and A3-0301/90 (interim reports by Mr Colombo)
B. whereas the progress of the Central and Eastern European States towards political democracy and a market economy, the continuing policies of reform in the republics on the territory of the former USSR, and the end of military and ideological confrontation in Europe have created a new situation, not least for the European Union and its relations with other European states,

C. whereas despite the removal of the Communist dictatorships and the collapse of Soviet hegemony in Eastern Europe, the peaceful coexistence of these peoples and progress towards the freedom of the individual, constitutional democracy and economic well-being is not secure on a long-term basis,

D. whereas the integration of European states within the framework of the European Union has proved itself to be a uniquely successful way of overcoming nationalism, bringing about peaceful settlements to disputes, and promoting economic development and whereas it must therefore not be abandoned under any circumstances, but rather consolidated and extended,

E. whereas for all European nations, economic, technological, ecological and social development poses problems and threats with which the sovereign national state alone is becoming less and less able to cope and which, as well as progressive integration in the European Union, also require increasingly intensive Europe-wide cooperation,

F. whereas the quality of being European is not clearly definable in geographical or historical, ethnic or religious, or cultural or political terms; whereas, however, it presupposes the political desire to share a common future,

G. whereas the challenges posed, above all in securing peace, protecting the environment, promoting world-wide economic and social development and ensuring respect for human rights, also imply a need for close cooperation with non-European states, in particular the United States and Canada, Russia and other republics on the territory of the former Soviet Union and with Turkey and the countries on the eastern and southern shores of the Mediterranean,

H. whereas the nations of Europe are also affected by the consequences of social injustice, economic imbalance, growing ecological destruction and population growth in other parts of the planet; whereas they are therefore compelled to increase their joint efforts in a worldwide campaign against hunger, poverty, ecological destruction and militarization,

I. whereas various proposals have been put forward for developing the structure of Europe, in particular the 'Charter for a New Europe' signed in the framework of the CSCE in Paris,

J. whereas Turkey, Austria, Cyprus, Malta, Sweden and Finland have applied to become members of the European Union, whereas 'Europe agreements' have been concluded with Czechoslovakia, Poland and Hungary which embody these countries' desire for membership and whereas other European states are
also making appropriate moves and the countries bordering on the southern
and eastern Mediterranean have expressed the wish to strengthen their
links with the Union,

K. whereas full membership of the Union implies, above all, a commitment to
the federal nature of that Union and that countries should be willing and
able to accept all its rules, if necessary after a suitable transitional
period,

L. whereas the enlargement of the European Union to include further states
will considerably disrupt the operation of its institutions, so that these
must be reorganized at the same time,

I. Essential features of a Europe-wide Order

1. States its conviction that the new situation in Europe confronts the
European Union with demands which it must meet on the home front by more
courageous reform in the direction of a union with a federal goal and on
the external front with a new approach to the issue of ever-closer
collaboration between all the nations of Europe;

2. Regards enlargement of the European Union to include those European states
which have fully developed democratic institutions under the rule of law
as well as guarantees for human rights and the structures of a market
economy, are willing and able to take over Community patrimony, including
economic and monetary union and unconditionally recognize the goal of
political union, as desirable in the interest not only of those applying
for membership, but also of the European Union;

3. Does not believe that it is possible or desirable for all the nations of
Europe or those which feel themselves to be European or are allied with
Europe to be gathered together at some future point into a union; points
out further that decisions on enlargements of the Union also depend on the
future political, geopolitical and economic development in Europe and on
the internal development of the European Union;

4. Considers it desirable that, in the first instance, accession negotiations
should commence with Austria, Sweden and Finland and should run in
parallel, with the aim of completing any accession by the same date;

5. Believes that the European Economic Area, which should not reduce the
role of the European Court of Justice and the European Parliament, will
both facilitate subsequent membership for those EFTA states desiring it,

6. Observes that the opportunities afforded under Article 238 of the EC
Treaty for closer ties with the Community and for support for the reform
process in Eastern Europe have in no way been exploited to the full in the
association agreements (Europe agreements) concluded to date and suggests
in particular that:
- association should be provided for with the Union, so that associated states may become involved as appropriate in foreign and security policy cooperation as well as in cooperation in domestic policy and law enforcement matters, without, however, preventing the development towards genuine, full-blown Community powers in those sectors;
- forms of association should be able to be created affording gradual, but increasingly close involvement in the Community, with a view to future membership;
- multilateral forms of regional cooperation and regional political dialogue between the Union and several associated states can be developed in order to foster regional cohesion and neighbourly relations and combat the rise in nationalism;

7. Hopes, notwithstanding the likely enlargements to include, and associations with, new partners that the European Union will, at all events, continue its policy of opening up specific Community support programmes such as SPES, SPRINT, ERASMUS or PETRA and agencies such as the European Environment Agency to include all European states, acting individually or in subregional groups, on the understanding that these states should pay an appropriate share of the costs;

8. Calls on the Union, alongside the strengthening and democratization of its own federal-type institutional system, to establish a system of confederative cooperation in Europe, which could provide a Europe-wide framework for resolving specific problems affecting Europe as a whole such as, for example, safeguarding security, dealing with emigration and immigration, security of energy supply, dealing with certain tasks in environmental protection, health protection, the fight against crime or respect for human rights;

9. Considers that the Council of Europe and the CSCE should become part of this 'system of confederative cooperation in Europe' and should thus continue and step up their important role as fora for Europe-wide agreements in those areas for which they have particular responsibility and that the European Union must be its centre and its driving force;

10. Considers it necessary that the European Union as such, in addition to its Member States, should become a member of the Council of Europe and a participant in the CSCE, with the Union gradually becoming the spokesman for the Member States on those matters for which powers have been transferred to it;

11. Believes that the system of confederative cooperation in Europe should not be organized as a classic, unified and all-embracing confederation, but rather, that it should stem from a number of functionally or regionally oriented confederations responsible for given sectors;

12. Considers it important that the cooperation in the functionally oriented confederations should be organized flexibly and that there should be cooperation in them between the European Union and third countries which are concerned for a joint solution to common problems in specific areas and are willing where necessary to exercise jointly certain prerogatives of national sovereignty;
13. Stresses that the cooperation in the functionally oriented confederations should not weaken or affect the process of integration in the European Union, which is linked with the transfer of national responsibilities;

14. Believes that the USA and Canada, Russia and other states on the territory of the former USSR, Turkey and the non-European Mediterranean area should all be associated, each in its own way, with the system of confederative cooperation in certain areas of responsibility;

15. Believes that as a rule inter-governmental cooperation between the European Union and the other States is currently the realistic and appropriate means of taking political decisions in the system of confederative cooperation in Europe, on condition however that the participation of each state involved and above all of the European Union is subject to parliamentary accountability, that agreed law cannot become operative in the European Union and in the other states until after it has been approved by the European Parliament or the national parliaments;

16. Calls for the establishment of a 'European Academy' consisting of a certain number of outstanding experienced and independent European personalities drawn from the worlds of culture, art, science, religion and politics, without regard to national quotas; they would act as representatives of Europe's cultural identity in all its diversity;

II. Structural and institutional reforms

The Union

17. Does not consider that the Treaty on European Union adopted on 7 February 1992 in Maastricht is sufficient to place the Union on the proper political and institutional footing required for it to respond appropriately to the new challenges and in particular to welcome a number of new Member States;

18. Is convinced that the European Union will not prove equal to the accession of new Member States and the pan-European challenges unless it (seven words deleted) grows into a Union founded on federal structures with limited but real powers, applied on the basis of the subsidiarity principle, and fully developed democratic institutions, based on a draft constitution drawn up by the European Parliament for ratification by the national parliaments;

19. Calls therefore for an intergovernmental conference to be convened before 1996 and before decisions are taken on any enlargement, and given a brief to start this process with the involvement of the European Parliament, on the basis of the draft Constitution of the Union\(^3\) in such a way as to ensure that the Union can absorb other European states whilst strengthening its cohesion, its ability to take decisions and its democratic legitimacy;

\(^3\) Resolutions of 11 July 1990, A3-0165/90 and 12 December 1990 A3-0301/90, on the constitutional basis of European Union (interim reports by Mr Colombo)
20. Believes, therefore, that its institutions must be reformed along the following lines:

21. With regard to the Council:
   - the role and nature of the presidency must be redefined, taking into account the principle of equality between the Member States and the fact that a continuation of the present rotation will no longer be practicable with an increasing number of Member States and in particular the role of the Council presidency in representing the European Union externally must be reduced;
   - its development into a second legislative chamber in the sense of a genuine chamber of states and alongside the European Parliament must be accelerated, with it becoming a standing body of the Union, its meetings on legislative matters being held in public and taking majority decisions with equal co-decision with the European Parliament, the qualified majority being redefined using new criteria whilst maintaining weighted voting in respect of the enlargement of the Union;
   - it must have a special role conferred on it in laying down implementing provisions on the basis of the laws adopted by the Council and Parliament in the framework of a clear legislative hierarchy, as the responsibility of the Member States for the implementation and application of Union laws must be maintained;

22. With regard to the Commission:
   - it must hold executive power in the European Union and as such must manage the Union's affairs on the basis of the European Union's laws and in accordance with the guidelines laid down by the European Council;
   - its political capacity to act and parliamentary accountability must be strengthened, in particular with regard to responsibilities in external relations and in the system of confederative cooperation in Europe;
   - it must represent the European Union at the external level in particular to Europe-wide structures and in the areas of responsibility transferred to its province and, in other areas, in agreement with the Council and monitored by the European Parliament, its monitoring powers being equivalent to those applying in foreign policy in the Member States;
   - the principle of political portfolios must be introduced;
   - the Commission President, elected by Parliament on a proposal from the European Council must, in agreement with the Council and the Parliament, decide on the composition of the Commission and the number of its Members;
   - the use of deputy Commissioners for certain portfolios must be made possible;

23. With regard to the European Parliament:
   - it must become more representative with an increasing number of Member States in the European Union in that the number of members shall be laid down in accordance with the principle of 'degressive proportionality', i.e. the higher the population of a given Member State the lower their ratio to the population as a whole;
- it must collaborate with the Council of Ministers on the basis of equal rights and powers, in all spheres in which the European Union has legislative competence and with respect to all decisions concerning revenue and expenditure (co-decision);
- it must have considerably enhanced control over foreign and security policy in particular with regard to the role of the European Union and its decisions in the system of confederative cooperation in Europe and the further development of the European Union in that it shall be given the right of assent with respect to all fundamental common foreign and security policy decisions, the conclusion of international treaties and all decisions adopted unanimously by the European Union Council of Ministers;

24. with regard to the use of languages in an enlarged European Union, takes the basic position that:
- respect for cultural diversity and legal security require that the national languages in the European Union are official languages of the European Union,
- every citizen and every Member of Parliament has the right to be heard in his national language in the institutions of the Union and to be informed in this language concerning Union policies and legislation,
- with the increase in the number of official languages in the European Union agreement must be reached restricting the number of working languages for internal use, in line with the varying requirements of each institution;

Council of Europe

25. Suggests that it should be made possible for the Council of Europe to extend still further its role in the field of cultural, scientific, health, urban, private legal, social and social ethical cooperation between all the states of Europe and organizations of states and proposes that it should also play a greater role as a forum for dialogue between municipalities and the regions and between governmental and non-governmental organizations in Europe;

26. Advocates:
- the further development of the Convention for the Protection of Human Rights and Fundamental Freedoms and the Social Charter, with a view to developing a charter of minority rights in Europe which would guarantee both individual and collective rights,
- the completion of the system of legal protection under the European Human Rights Convention, in particular in view of complaints about the infringement of minority rights in European countries;
- the drafting of further European conventions in fields of common interest, particularly with regard to legal, socio-political, ethnic and ethical questions;

Conference on Security and Cooperation in Europe (CSCE)

27. Believes that the recently enlarged CSCE must strengthen and institutionalize its security policy activities in the field of disarmament and arms control, confidence-building measures and the prevention of conflict;
28. Believes that, following the most recent enlargement of the CSCE, further development of the CSCE Charter is particularly necessary in order to harmonize the principle of non-interference and respect for territorial integrity with the principle of respect for the right of autonomy and the protection of minorities;

29. Views the participation of the USA and Canada within the CSCE not only as an expression of the abiding involvement of these two states with the fate of Europe but also as a possibility for further close cooperation over and above the security sphere;

30. Wishes, until such time that the European Community - or ultimately the European Union - becomes a full participant in the CSCE, to be represented within the CSCE parliamentary assembly by means of a delegation enjoying a specifically-defined status;

WEU and NATO

31. Is of the opinion that the WEU, which can serve in a transitional period as an instrument of common defence policy, must be linked more closely to the Institutions of the European Union and should be absorbed into the Union in 1996;

32. Takes the view that NATO, while the role of the CSCE is developing, and while it undergoes its organizational reform and political and strategic realignment on the basis of the Copenhagen and Rome Declarations, can continue to act as a security guarantee for the whole of Europe and testify to the close bond between Europe on the one hand and the United States and Canada on the other;

33. Considers that the creation of the North Atlantic Cooperation Council provides a suitable starting point for increased security policy links between NATO and the states of the former Warsaw Pact;

34. Considers it desirable for NATO to play a leading role in a comprehensive non-aggression and mutual assistance pact binding all its member states with all other European states including Russia and possibly other states on the territory of the former Soviet Union and the European Union;

Requests to the institutions of the European Union

35. Confirms the mandate to its appropriate committee, quickly to complete the drafting of the constitution for the European Union;

36. Calls on the Commission the Council and the Member States to develop the European Union into the driving force and focal point of the system of confederative cooperation in Europe and thus the fixed starting point for a Europe-wide order to maintain peace across the continent, foster the development of democracy, strengthen economic and social cohesion, protect the natural foundations of human life, to preserve the regions and cultures of Europe in their diversity and also to meet its responsibilities for the fight against famine, poverty, environmental degradation and rearment also in other parts of the world;
37. Instructs its President to forward this resolution to the Council, the Commission, the Member States, the USA and Canada, the Council of Europe, the CSCE, the WEU and NATO.
EXPLANATORY STATEMENT

I. The European Communities were founded and consolidated at a time when Europe was split into two spheres of influence separated by a rigid economic and political divide and, moreover, by ideological and military antagonism. That fact has left its mark on the shape, aims, and actions of the Communities over the entire course of their history to date.

Now, however, the Community is having to operate in a radically new context. The Communist dictatorships in the east of the continent have collapsed. The Soviet Union as such and its domination over Eastern Europe have crumbled away. Democratic institutions under the rule of law and free markets are coming into being everywhere in Eastern Europe. The unity of the German state has been restored. Given the speed at which the politically divided, two-bloc Europe met its demise and the ideological and military antagonism, to which the Community was likewise a party, was brought to an end, it is natural that the Community's structures, tasks, and actions do not yet match the new conditions in Europe.

Yes: the Community has demonstrated unity and made a judicious response to the changes in Germany and Eastern Europe. It is organizing and, along with its Member States, contributing 78% of the financial and economic aid for Eastern and south-eastern European countries and the CIS. It has concluded association agreements with the CSFR, Poland, and Hungary leading ultimately, perhaps, to the accession of those countries. It will be opening negotiations with a number of other Eastern European countries on association or cooperation agreements. It has yet to unveil a blueprint for a new Pan-European order and the role falling to the European Union in shaping that order.

Yes: with the Maastricht Treaty on European Union, the Community has embarked on a limited reform of its component bodies, given itself wider powers, and opened up new fields of cooperation. By completing Monetary Union and implementing the 'Delors II' package, it will be able to strengthen its political, economic, and social cohesion. However, it has failed to produce any ideas on its own future size and proper structure.

The Maastricht European Council noted that various European countries have submitted applications for accession or declared their intention of joining the Union, and instructed the Commission, in preparation for the Lisbon European Council, to consider these matters, not least their implications for the future development of the Union.

This report is Parliament's contribution to the arduous, complex, and of necessity controversial debate on the structure and strategy for the European Union with regard to the creation of a Europe-wide order. At this initial stage it shall confine itself to charting points of reference and guidelines for the future development of the Union and its role in the new Europe.
The blueprint for a Europe-wide order and the future place and role of the Union are based on the following three premisses:

1. The form of integration whereby European countries have created the European Communities has proved to be the only successful means of overcoming nationalism, bringing about the peaceful, lasting settlement of disputes, and promoting economic development in Europe. Over the past 40 years it has fostered a close-knit network of economic, social, and political bonds and channels of solidarity among the Member States and their peoples. It has become a stable and stabilizing factor not just for its Member States, but for Europe as a whole.

In the event of a relapse into an order (or disorder) under the sway of nation-states, Western Europe would lose its stability and the east be denied stability. Under no circumstances, therefore, must the Union be weakened or even disbanded for the sake of enlargement or Europe-wide structures. It must remain intact and - to that end - be deepened.

2. The new situation in Europe has created new problems or resurrected old ones which have implications not only for individual states or the Union, but for the continent as a whole. However, it does not just make common remedies imperative, it also makes them possible. The Union, therefore, cannot shirk the challenge of playing its part in creating and developing a new political order for the whole of Europe.

3. In spite of economic crises, shaky democracy, and armed conflicts in Eastern Europe and notwithstanding new uncertainties about the development of the Community in Western Europe, the report is proceeding on the assumption that, regardless of the continuing perils and inevitable reverses, human rights, democracy, the rule of law, the market economy, and social justice will, on the whole, flourish in Eastern and Central Europe and the CIS.

That being the case, the Union, once it has completed the internal market and ratified the Maastricht Treaty, will be called upon to accomplish three strategic tasks:

- It must strengthen its economic and social cohesion. (That point lies outside the scope of this report).

- It must be willing and able to enlarge its membership beyond the twelve Member States.

- It must be the heart and prime mover of a Pan-European order, in which peace and security, democracy and the rule of law, social justice, free markets, and environmental protection are fostered and supported in the whole of Europe.

II. The historic successes of the Community, in particular completion of the internal market, have increased its power of attraction over other European countries. The end of the East-West antagonism in Europe has opened the way for Europe's neutral countries to join the Community. The establishment of the European Economic Area (EEA) has brought the EFTA countries economically,
legally, and politically so close to the Community that their accession now requires only an act of political will, without entailing a need for significant structural changes to their economies and societies.

Membership applications from Turkey, Austria, Cyprus, Malta, Sweden, and Finland are currently on the table before the Community. Norway and Switzerland are about to decide whether and, if so, when they will apply to join. The Community's association agreements with the CSFR, Poland, and Hungary lay down accession as the political goal to be pursued by those countries. Other European states are likewise considering the possibility of accession. When he made his first visit to the Commission in March 1992, the Russian Foreign Minister, Andrei Kozurev, said that Russia too wished one day to join the Community.

With regard to the Turkish application, the Commission noted in its opinion of 18 December 1989 that accession was not a realistic option for the immediate future. A favourable opinion has already been delivered on the Austrian application. Similar endorsements of the Swedish and Finnish applications are likely to be given by the end of this year. The accession negotiations will thus be able to begin as soon as the Community has concluded its discussions on own resources and related issues, as it is due to do some time in 1992. They could be completed within two to three years.

There is no economic or political reason why the Union could, as a matter of principle, deny membership to Austria, Sweden, or Finland and - should the occasion arise - Norway or Switzerland. The Union is therefore likely to comprise at least 15 Member States after 1995.

Enlargement of the Union is inevitable. It is not only in the interest of potential applicant states, but also in the Union's own interest. It is also beyond question that the Union must remain intact and a viable political force. This is not just in the interest of the current Member States. It makes no sense for would-be applicants, in particular the CSFR, Poland, and Hungary, to join a politically paralysed Community.

The Community as presently constituted or, for that matter, as it will be constituted after the Maastricht reforms, cannot encompass enlargement without further reform, i.e. deepening, enlargement to include 15 or more Member States would sooner or later spell its destruction. The choice for the Union is consequently not between 'widening or deepening', but rather between 'enlargement or dissolution'.

There are no clear objective criteria for determining the optimum or maximum size of the Union. No one can say how many Member States it can 'cope with' without risking paralysis or regressing into a mere free trade area. It is therefore impossible to lay down the number of Member States admitting of no further enlargement of the Union. No one can gauge the maximum absorption capacity which the Union could not exceed without bringing about its destruction, but it is indisputable that a limit exists. Austrian accession would certainly not impose a destructive strain on the Union, even as presently constituted, but it is equally certain that, however solid its structures, the Union could not withstand the accession of all 38 other European countries plus Russia.
The danger for the Union's ability to act and cohesion does not lie in the fact that new Member States would on principle be less willing than the old ones to integrate, take decisions, or become part of a Community. It lies in the rising number of states involved in decisions, since this will inevitably complicate and prolong the procedures. It lies, too, in the structure of the Union's decision-making machinery, which basically draws more heavily on intergovernmental cooperation than on democratically ordered supranationalism.

The more countries that join the Community and the smaller those countries, the greater the degree of supranationalism and central authority that will be required in order to preserve at least a modicum of unity and capacity for action. The greater the degree of supranationalism and centralism required to preserve the Union from dissolution, the more fundamentally limited the scope will be for keeping alive national and regional independence and enabling the public to become broadly involved at every political level. The increasing number of states in Europe poses more of an obstacle than not to their incorporation into the Union.

Institutional reforms cannot and must not be taken so far that, to preserve the viability of the enlarged Union, they destroy the basis on which democratically ordered European states can form a voluntary association. Deepening of the Union must therefore accord parliamentary bodies a substantially greater say in decision-making and make for rigorous observance of the subsidiarity principle. The point at issue is not MPs' hunger for power and prestige or the retrogressive claims of national and regional sovereignty: instead, the aim has to be to lay the essential foundations for a wider Union encompassing more than twelve Member States.

Far-reaching principles of this importance should be laid down in a constitution for the Union. Such a constitution is being drawn up in Parliament's Committee on Institutional Affairs. To assist in the drafting process, this report is endeavouring to set out guidelines and principles to help answer the institutional questions directly related to enlargement of the Union.

Given that the Union has to expand, but must not disintegrate, given that its structures have to be democratic and capable of action, but still preserve independence at national and regional levels, both the conditions to be met by applicant states and a blueprint for internal reform of the Union need to be laid down and made binding on all.

Every new Member State must satisfy the conditions applied to previous accessions: they must be geographically part of Europe, be fully developed democracies affording adequate protection for human and civil rights, have free market economies, take over the whole body of existing Community law, i.e. including the future Monetary Union, and be willing to advance the development of Political Union. Transitional periods for adopting the entire 'acquis communautaire' can be negotiated, the condition itself, however, must be met at some stage.

The Union cannot 'negotiate itself back in time'. Membership will not be available 'on special offer'. Part membership will likewise be out of the question. Given the degree of political, legal, institutional, and economic integration achieved by the Union, it would raise insoluble institutional, political, and psychological problems. It follows that the EFTA countries are the only feasible candidates for accession at present.
The accession negotiations with Austria, Sweden, and Finland can begin at the end of 1992. They should be pursued in parallel to enable this group of countries to join at the same time, since this would be desirable not only for political, legal, and economic reasons and in view of the political climate in the countries concerned, but also having regard to the future of the EEA. Above all, it is necessary on account of the institutional reforms and adjustments to be brought about in the Union. A 'cascade' of accessions in which every year (or even every six months) from 1995 onwards ratification procedures would have to be completed, the structure and make-up of Parliament, via the Council and Commission and extending down to individual committees and working parties, would have to be adapted, entailing amendments to procedural rules, expansion of translation divisions, etc., would paralyse the Union for a considerable length of time.

It is essential to deepen the structure of the Union to such an extent that more than twelve Member States can belong to it. The point is not that it should one day be able to absorb all European countries; however, the institutional preconditions for accession of the countries which have currently applied to join do not exist - even with the reforms provided for in the Treaty on European Union. If it is to absorb just three more countries, the Union needs to embark on a bolder reform of its institutions and decision-making procedures.

Enlargement of the Union beyond the ranks of the EFTA countries should not, for political and economic reasons, be addressed in the foreseeable future, but given that the Union, through the Europe Agreements, has opened the way for the CFSP, Poland, and Hungary to accede in the future, it follows that it must so organize its component bodies and decision-making procedures so as to make future accessions possible.

A Union which will one day comprise 15 or more Member States and at the same time must remain able to act and fulfil its responsibility within the Pan-European order needs to undertake the following institutional reforms as a matter of urgency:

- The Council

If the current rotating Council presidency is retained even with 15 Member States, a national government will have to wait seven and a half years before resuming the presidency. During that time, especially if it is one of the smaller governments, it will have inevitably lost the necessary expertise and experience.

The Union will increasingly assert its identity through a common foreign policy. As the number of Member States rises, so too will there be an increasing number of governments with virtually no proven ongoing ties with and experience in certain regions of the world, for instance the Middle East, Africa, the Balkans, etc. Those will be the regions, however, which will come to pose greater challenges for the Union's common foreign and security policy (CFSP). The new responsibility which the Maastricht Treaty has conferred on the Council presidency as regards implementing the CFSP will bring this structural flaw more sharply to light. The joint 'troika' system will not be able to tackle the root of the problems.
Increased or more acute problems will also be posed for an enlarged Union as far as legislation is concerned. One detail will suffice to underline the need for reforms: when the Council is discussing, for example, an important matter of principle, such as the first stage of a legislative act, and 17 Member States and the Commission each make just a 10-minute introductory statement setting out their positions, that procedure alone will account for three hours' debating time.

For both administrative/organizational and financial reasons it would be undesirable to create a separate Council department responsible for planning and implementing foreign policy. The Union would be unlikely to agree before some considerable time to a system whereby the presidency would rotate among the five large Member States only (with two newly created Council vice-presidencies rotating among the remaining Member States) and its term of office be increased to a year. The necessary reforms of the structure and working methods of the Council should therefore be modelled on the example of the German Bundesrat. Its foreign policy powers should be limited to laying down guidelines and decisions relating to principles. Responsibility for planning and implementing the CSFP must be transferred to the Commission.

Domination of the large Member States has to date rightly been avoided by means of weighting of votes in the Council.

The problem will no longer be posed in the same terms in an enlarged Union, since the only new members will be actually or relatively small countries. Instead, it must be ensured in future that those countries cannot secure a blocking minority with undue ease. The way to do so might be to alter the respective weighting factors assigned to the votes of large and small Member States and/or to redefine qualified majorities or blocking minorities. A new weighting system would bring considerable political and psychological problems, especially in the large Member States. This report shall consequently go no further than proposing that 'majority' or 'blocking minority' be redefined.

- The Commission

If the five large Member States each appoint two Members and the others one Member, the Commission will in future have 20 or more Members, by no means too many for a government with executive powers. It remains to be seen, however, whether Members of the Commission must continue to be appointed by and from every Member State, since the Treaty prohibits them in any case from representing national interests. At all events, as long as each Member State has the right to appoint at least one Member, national balance in the Commission will remain an open question.

The report will not go so far at this stage as to propose that Members of the Commission should no longer be appointed by the Member States. Nevertheless, it is seeking to break the link between the number of Members of the Commission and the number of Member States. Instead, it is proposing that the membership of the Commission should be the subject of political agreement among the Commission President designate, the Council, and Parliament and is calling for Assistant Members of the Commission to be appointed to deal with specific areas. Though limited, such a reform will obviously entail a considerable change in the Commission's internal organization, including:
- the introduction of the political portfolio principle,
- an increase in the powers of the Commission President,
- clarification of the role and powers of Assistant Members of the Commission.

These reforms are essential to ensure that the Commission remains able to act. On the other hand, they also pose a danger, namely that the centralized European authority will grow to become the dominant force and the Member States' powers of decision will be undermined in areas where they can and should enjoy policy-making freedom within the Union. Two steps must be taken to counter it:

1. The Member States, through the Council, on the basis of and in accordance with the laws adopted by the Council and Parliament, must have special influence as regards conferring executive powers, thereby enabling them to discharge their responsibility for enacting and enforcing Union laws.

2. Parliamentary influence over the membership of the Commission and supervision of its regular political and administrative activity must be strengthened beyond the degree decided upon at Maastricht. This applies particularly in the case of the CSFP, regarding which the Commission has been given a right of initiative and is to be given still greater executive powers in the future.

Parliament

In a Union that has been enlarged to include 15 or more Member States and is faced with the additional tasks resulting from the Maastricht Treaty, normal legislation certainly cannot remain the result of cooperation between government bureaucracies. The current tendency to deparlamentarize the law-making process in the democracies of Western Europe, which the Maastricht Treaty did not do enough to remedy, would only be further intensified by the accession of even more states. This trend is no longer tolerable.

If democracy and parliamentarism are to be preserved, politics and legislation must either be renationalized under the enlarged Union or the European Parliament must have the same rights and powers as the Council of Ministers to make decisions in all areas of legislation and to participate in all decisions to do with revenue and expenditure. In addition, it must also be given the right to approve all fundamental foreign and security policy decisions, the conclusion of international treaties and all decisions taken unanimously by the Council of Ministers within the framework of European Union.

Even as things stand today, the role of Parliament in the law-making process of the Union raises the question of its representative nature. The question will become even more acute once its rights have been strengthened and the Union has been enlarged. Even today 54 million people in the seven small and medium-sized Member States are represented by 134 Members, while 290 million people in the five large Member States are represented by a mere 384 Members.
Or to put it another way: the vote of Irish or Danish voter carries more than twice the weight than that of an Italian, British or French voter (not to mention the special cases of Luxembourg, which is grossly over-represented, or Germany, which is under-represented). If the current system is retained in an enlarged Union, the over-representation of the smaller Member States will be accentuated even further.

As long as a Union constitution does not confer the same voting rights on all citizens of the Union, the influence of the smaller Member States will continue to be safeguarded by a disproportionately large number of Members in Parliament or votes in the Council under an enlarged Union. But Parliament, at least, must not allow the mismatch between population and parliamentary representation to become too great.

The report proceeds on the assumption that proportionality of representation in Parliament is now unattainable and, in view of the continuing inadequacy of Parliament's powers there is not yet any need to achieve it. Nevertheless, it deems it essential to draw closer to fairer representation of the people of the Member States. The details relating to this point will be set out in a special report by the Committee on Institutional Affairs.

The use of the languages

In a multilingual Union, the use of languages in its institutions already poses a special problem, whose political, economic and psychological implications should not be underrated. It is quite obvious that this problem will increase with enlargement. Every Member State will (have to) insist that its official language is also made an official language of the Union. The accession of Sweden, Finland and, possibly, Norway will increase the number of official languages in the Union from 9 to 11 or 12. (Austria and Switzerland do not present any additional problems in this regard, and nor do Cyprus and Malta).

Currently some 10 000 meetings of Community bodies are interpreted into the nine official languages every year. Nine languages result in 72 combinations for interpreting purposes. This requires 27 interpreters for every single meeting. Thirteen languages would result in 156 possible combinations, necessitating the use of 42 interpreters per meeting. Sixteen languages would result in 240 possible combinations, which would require 54 interpreters for one meeting of a single committee. With the best will in the world it would no longer be possible to organize the use of all the official languages of an enlarged Union as full working languages, assuming that there is the will to bear the expenditure this entails.

The enlarged Union will directly affect, through its policies, the fates of more than 350 million people. Its policies and laws must be concrete and understandable. Legal certainty, as well as democratic participation and monitoring, require that the official language of each Member State should also be an official language of the Union. Each citizen and each directly elected Member must be entitled to be heard in the language of his/her country.
As far as the internal use of languages in the Union's bodies (institutions) is concerned, new and more flexible solutions will have to be found. This does not necessarily mean reaching agreement on the use of certain working languages across the institutions (nor is it probably opportune to do so). Rather, we must seek to secure acceptance of the principle that the number of working languages in official use may be restricted.

The rules governing the number and use of such languages may vary from institution to institution. The Commission, for example, might decide on one or two, the Council on three or four and Parliament on four or more working languages. Different rules governing the active and passive use of interpreting etc. are also feasible.

The report does not set out a comprehensive list of all the necessary adjustments and it certainly does not contain all the demands which Parliament will have to make in respect of the Union's future development. It merely proposes such reforms as will be absolutely necessary in conjunction with the next enlargement. Before any new countries join, that is before the Intergovernmental Conference scheduled for 1996, these reforms must be given treaty form. In deciding whether or not to give its assent to the accession laid down in Article 0 of the Treaty on Union, Parliament will certainly have to take these facts into account.

III. The impending enlargement to 15 or more Member states will enable the Union to expand and consolidate the basis of its economic and social cohesion and thus better equip it to meet its responsibilities throughout Europe. The new political and economic situation in Europe, as well as general economic, scientific, technological, environment and social developments, confront not only the Union but all European nations with new problems and dangers, which they will no longer be able to tackle effectively with the traditional national instruments and claims to sovereignty. They will either overcome these problems together - or they will succumb to them together.

1. Freedom and democracy, the rule of law, protection of minorities, economic development and social justice are the foundations of internal and external peace-keeping throughout Europe. Therefore it is no longer a purely domestic matter to ensure that they are guaranteed. The CSCE Moscow declaration of September 1991 states that respect for human rights, basic freedoms, democracy and the rule of law can no longer remain an internal matter of exclusive concern to a particular state but has become a matter of concern to all the signatories.

2. In eastern and south-eastern Europe, ethnic, religious, political, economic and social conflicts have been revived or have flared up once again. They have already led to armed clashes. Now that the 'disciplining' effect of the bloc structures and military confrontation has gone, local and regional armed conflicts have once again become possible in Europe. It is therefore vital that all European nations join a system of conflict settlement and agree to accept the mediation of common institutions. To this end, they must renounce traditional claims to non-interference in their internal affairs and also adopt common institutions and procedures for conflict avoidance and resolution, equipping them with the necessary decision-making and executive powers.
3. The development and use of new technologies with their economic, environmental and social consequences entail the same new cross-border risks for all the European nations. This applies, for example, to the use of nuclear power, the development of genetic engineering or the introduction of new materials and technological procedures. It also applies to the collapse of entire ecological systems, due to human intervention in nature. The new technologies also create opportunities for people to draw closer together, to help each other and understand each other. This is just as true of the construction of a transcontinental transport infrastructure as it is of energy production and supply or telecommunications. Just as the problems which they create are common to all the European nations, the solutions being sought to these problems must be joint solutions.

4. It was necessary to open up the borders in Europe and give people greater mobility. These are steps which promote progress and ensure peace. But they also entail risks, for example, the spread of disease and drug addiction and the increase in drug-related crime and terrorism. Increased freedom of movement in Europe must therefore go hand in hand with increased cooperation in the fight against disease and crime.

5. The cultural richness and identity of the European nations have always been based on the diversity of national and regional characteristics and on an intensive exchange between them. It therefore remains vital that the increasingly close cooperation between the European nations also serves to preserve and develop the common European historical, cultural and political heritage. Through its own structure, the Union must help to ensure that national, regional and local independence is not merely tolerated but protected and promoted within the context of the greater whole.

6. In the past, movements of population for economic, political, ethnic or religious reasons have greatly contributed to the diversity of European culture and its historical achievements. In the future, too, migrations may stimulate the cultural, economic and political development of Europe. However, mass internal European movements of refugees from east to west, or immigration from the southern Mediterranean region may lead to strains which the host countries may deem intolerable. In fact, they also have the destabilising effect of impoverishing the countries of emigration in terms of human resources. The problems connected with this can only be overcome in collaboration. A policy that does not involve the countries in which these migrations have their origins will necessarily result in the isolation of the Union. This would have disastrous consequences. Europe would be forfeiting its internal liberality, placing its security at risk and abdicating its geopolitical responsibility.

7. By virtue of their history, economic strength and environmental interests, all the European nations bear a large measure of responsibility for global development, particularly for respect for human rights, the strengthening of democracy, the creation of prosperity and social justice, and the preservation and restoration of the natural bases of life on earth. The United Nations' Human Development Report of 1992 established that the income of the richest fifth of the world's population, to which the Union belongs, is 60 times as great as that of the poorest fifth, including the majority of the
ACP States, with which the EC has special relations; 20% of the world population produce 80% of the world's GNP and control 80% of world trade, financial flows and reserves. Efforts to establish a Europe-wide order do not, therefore, relieve the European nations of their duty to make an appropriate joint contribution to the survival of mankind.

These problems force the nations of Europe to engage in cooperation which cannot be confined within the framework of the European Union, even if it is enlarged to include 15 or more Member States. The solutions require Europe-wide cooperation. Indeed it may even be necessary to go beyond the continent's boundaries. There is therefore a need for well-organized cooperation, for example, with Russia and the other countries of the former Soviet Union, the United States and Canada as well as the countries along the southern and eastern shores of the Mediterranean. These Europe-wide structures must be less integrationist, less supranational and more flexible than the Community's, and must also extend beyond the frontiers of the continent.

For the Union, this entails commitments to consolidate its own structures. But it must also assume joint responsibility for developments in other parts of the continent. It cannot meet these responsibilities through the provision of financial, economic and humanitarian aid alone. It must endeavour to meet them institutionally by offering cooperation and involving the countries concerned more closely in a Europe-wide order.

IV. The Union will enlarge but it will never comprise all the European countries. It will never be synonymous with 'Europe'. Nor is this necessary. There are no clear criteria governing membership of Europe. Europe as a geographical concept is different from Europe as a political concept or as cultural, historical or economic concepts. At any rate, the movement towards democracy and the market economy in a string of Eastern European countries is now quite irreversible.

Against this background, the Union must beware of entering a cul-de-sac at the end of which the European countries will be faced with the stark choice between accession and exclusion. European countries (and countries which feel European) that cannot become members of the European Union, or do not wish to join, must not be excluded from European cooperation. The Union must offer these countries new forms of cooperation outside the Member States.

In any event, the search for a solution to the specific problems of modern industrial societies calls for close cooperation with non-European countries. The issues involved cannot be solved by enlarging the Union. It is necessary to establish structured cooperation with Russia and the other republics of the CIS, Turkey and the countries to the south and east of the Mediterranean and, above all, the United States and Canada.

A Europe-wide order does not need to be created from nothing. It can build on existing organizations. Alongside the Union itself, there are the Council of Europe and the CSCE. Their possibilities and limitations must be reassessed and the part they are to play in the new European order must be determined anew. In addition, there are already a large number of other Europe-wide organizations. A number of European countries should first ensure that they are in a position to take full advantage of these organizations.
Even today on the basis of Article 238 of the EEC Treaty, there are forms of association with the Community: free trade associations (with Malta and Cyprus), development associations (with the ACP countries), cooperation associations (the 'Europe Agreements' with Czechoslovakia, Poland and Hungary) and accession associations (with Turkey and with Greece prior to 1981). Thus the scope offered under Article 238 of the EEC Treaty is far from being exhausted either with regard to the form or the content of associations. It poses no obstacles whatsoever to more far-reaching forms of legal, economic, political and institutional links between the Community and third countries.

For the future, two types may be particularly relevant to the Union's Pan-European role:

1. Association on the lines of the European Economic Area may be appropriate for those European countries that, in order to protect their freedom of movement in foreign policy, monetary policy and legislation, do not wish to join the Union but want access to the EC's internal market.

2. Association with the European Union. Under the Maastricht Treaty it is possible to accede to the Union (Article 0) but association is only possible with the Community (Article 238). The Treaty should be altered at the earliest opportunity so as to make association with the Union possible. It would be an avenue open to those European countries that are unwilling or unable to become members in the medium term owing to their state of development but want to be associated with the Union's foreign and security policy and/or cooperation in domestic policy and legal matters.

Clearly, these new forms of association must be tailored to suit certain European countries and restricted to them. If the Union wishes to meet its obligations, both internal and external, in the years to come, it cannot afford to offer membership as generously as the CSCE does at present, nor be so generous with association agreements as the Council of Europe is planning to be in future.

In any event - future associations apart - the Union should continue its policy of opening specific research programmes such as SPECS, SPRINT, ERASMUS and PETRA and agencies such as the European Environment Agency to all European countries that are interested and prepared to assume an appropriate share of the cost.

Various proposals have been made for a European Confederation or a 'European-Atlantic Community from Vancouver to Vladivostok'. A large-scale organization, based on international law, embracing all the European states and those that are associated with Europe's vital interests, would severely tax the will to cooperate, the solidarity and the ability to construct democratic and efficient organizational structures of the countries involved. Cooperation and the integration of interests in Europe must be swiftly, efficiently, pragmatically and flexibly organized. The Union should therefore develop a 'system of confederal cooperation in Europé' rather than a comprehensive Pan-European confederation.
A system of this type would not be a classical confederation of states. Rather, it should be a Union of organizationally independent functional 'task-oriented confederations', that is, a number of ad hoc associations for close, formalized cooperation in tackling tasks recognized as common tasks, within specific Pan-European problem areas. The resulting cooperation would be termed 'confederal', because it would be long-term in nature and institutionalized and because, as far as necessary, it would go hand in hand with the joint exercise of sovereignty by its members. They would create closer links between participants than is the case with cooperation in other international organizations, and, at the same time, permit a European 'géométric variable' that was not detrimental to the cohesion of the Union.

Both existing and newly formed organizations can be turned into 'task-oriented confederations'. They can be tailored to specific political areas, such as large-scale, cross-border environmental protection and/or cooperation in specific areas of research and development, and make use of existing instruments such as EUREKA, COST, ESA or the IAEo and the future Environment Agency to this end. The European Conference of Transport Ministers could be expanded and the European Energy Charter could be further developed. But task-oriented confederations may also be of a regional character, similar to the Baltic Council or the Alpine Convention. The system must remain flexible and it must be possible jointly to tackle new tasks at any time.

In any event, all participants in the 'system of confederal cooperation in Europe' must be prepared to subscribe to basic values and aims, drawn up and guaranteed by the CSCE. The Union should be involved in every task-oriented confederation. On the one hand, it is not necessary for all European countries to participate in a particular task-oriented confederation; this would not damage its Europe-wide identity or have any adverse effects on Europe-wide cohesion. On the other hand, non-European countries could also participate. This would make it possible to find the appropriate framework, compatible with the 'geography of the problem', where cross-border problems are concerned.

Two organizations will assume special importance within the system of confederal cooperation in Europe: the Council of Europe and the CSCE. When its role in certain areas of Europe-wide policy is consolidated and clarified, the Union, with its increased powers under the Maastricht Treaty, must become a member or participant in its own right alongside its Member States.

Since 1989 the Council of Europe has been extended from 23 to 27 Member States through the admission of Hungary, Czechoslovakia, Poland and Bulgaria. Eight countries of eastern and south-eastern Europe - Russia (as the successor of the former Soviet Union), Romania, Slovenia, Albania, Estonia, Latvia, Lithuania and Croatia - have now been accorded special guest status, which was deliberately set up as an 'antechamber' for subsequent membership. Some time in the future, the Council of Europe is anticipating applications from the nine sovereign states that came into being as a consequence of the disintegration of the Soviet Union and Yugoslavia. In a few years, therefore, the Council of Europe may comprise 42 European countries.

In the 40 years or more it has been in existence, the Council of Europe has made a tremendous contribution to the development of a humane Europe, increasingly united in its shared basic values, with more than 140 conventions and international agreements in the areas of human rights and fundamental freedoms (European Convention on Human Rights), education (e.g. the European
Convention on Culture), science, public health (e.g. the European Pharmacopoeia), conservation and environmental protection, and European legal and constitutional matters. It provides the framework for a network of more than 30,000 bilateral treaties between its Member States, reflecting a consensus in political, social and legal issues which is often regarded as axiomatic.

The Council of Europe should continue this key task and concentrate its work on the development and exercise of parliamentary democracy, respect for human and basic rights, recognition of the rule of law in its member states and in their relations with each other and the commitment to settle conflicts by peaceful means, including international legal procedure. In doing so, it is important for it to obtain broad support through close cooperation with regions, local authorities and non-governmental organizations.

In conjunction with the strengthening of the legal instruments available to the Council of Europe and the protective system of the European Convention on Human Rights, the question of national minorities will assume particular importance. This applies to the protection of the rights of those national minorities that do not feel an affinity with any other people. It also applies to the recognition of the multifarious cross-border relations between members of national minorities and citizens of other countries, with whom they are related by common ethnic national origins. To this end, the Convention on Human Rights and Fundamental Freedoms and the European Social Charter could evolve into a Charter of the Rights of Minorities in Europe, guaranteeing both individual and collective rights.

Since the signing of the Paris Charter in November 1990, all the republics of the former Soviet Union have been members of the CSCE. It thus spans the whole of the Atlantic-European-Asian area from Vancouver to Vladivostok. It is doubtful whether, with 52 Member States and such a broad geographical span, it will remain capable of taking swift decisions and acting decisively. The Atlantic Alliance, and the military integration of NATO in particular, therefore remain the single most important element in European security.

Nevertheless, attempts should be made to turn the CSCE into a Pan-European organization, whose main role is to discuss and take decisions on preventive security policy in Europe on all points relating to the modern, integral concept of security. This includes agreements and the implementation of confidence-boosting measures, disarmament, arms control and conflict prevention. The CSCE framework should also be used to guarantee minority rights, and to conclude agreements to eliminate the causes of the growing population movements. The CSCE should also be able to make a vital contribution to the conclusion of a comprehensive non-aggression pact between all its participants. In the longer term, NATO and/or a WEU integrated into the EC could also assume some of the duties arising from the implementation and guaranteeing of the decisions taken by the CSCE.
The CSCE should initially avoid setting up new institutions, and should breathe life into those set up under the Paris Charter. The sole exception to this might be the appointment of a High Commissioner for migration and refugee questions in Europe, as already contemplated. With regard to the implementation of its decisions, the CSCE should recommend other organizations and the new task-oriented confederations to incorporate CSCE conclusions in their programmes of work.

The 'system of confederal cooperation in Europe' can and must also promote regional cooperation between different states to provide a counterweight to fragmentation into increasingly small national and autonomous units.

The Europe-wide order outlined in this report would not be based on 'concentric circles' or 'different speeds'. It would resemble a daisy with the Union forming the central disc and the Council of Europe, the CSCE, the Atlantic Alliance, the various task-oriented confederations and the Union's associate states, forming petals of differing length.
MOTION FOR A RESOLUTION  B3-0499/90

tabled pursuant to Rule 63 of the Rules of Procedure

by the members D. MARTIN, DE GUCHT, HERMAN, DE GIOVANNI and PRAG

on the proposed pan-European "confederation" and its implications for the institutions of the European Community

The European Parliament,

- Having regard to the recent momentous events in Central and Eastern Europe;

- Having regard to President Mitterand's proposal for a Pan-European Confederation;

- Having regard to the aspirations both of Central and Eastern European countries and of EFTA countries for a closer association with the Community, ranging from requests for closer trading arrangements to potential requests for full membership;

- Having regard to the benefits in terms of peace and stability that can be provided by binding and permanent frameworks for cooperation and by economic and political integration;

1. Considers that the Community must explore the possibilities for a form of closer association with the Community than those currently in force pursuant to Article 238 of the Treaty,

2. Considers that any expansion of Community membership will require a restructuring of the institutions of the Community and the strengthening of their decision taking capacity,

3. Considers that the concept of a "two-tier Community" may have to be examined closely as a potential transitional solution to the aspirations for membership of new countries,

4. Calls upon the Commission, after consulting the presidency of European political cooperation to present a full and comprehensive report to Parliament of how it envisages future Pan-European cooperation and integration, and in particular the institutional framework in which this would take place.
MOTION FOR A RESOLUTION  B3-1937/90

pursuant to Rule 63 of the Rules of Procedure

by Mr ROUMELIOTIS

on the new structures and institutions of the CSCE

The European Parliament,

A. having regard to the Paris Charter for a New Europe, which was adopted at the CSCE Summit of 21 November 1990, and in particular the arrangements for setting up a parliamentary assembly, meetings of the Council of Foreign Ministers, a Secretariat, etc.,

B. whereas the pursuit of a common foreign and security policy is inconceivable unless the Community speaks with a single voice in international organizations and hence in the CSCE, as the European parliament has repeatedly urged (see the MARTIN and COLOMBO reports),

1. Considers that the Commission and the Council should represent the Community in this new forum and that the European Parliament's role should consist in exercising political supervision and forging links with the CSCE Parliamentary Assembly;

2. Calls on the Commission to look into ways and means of ensuring Community participation in these new forums.
DRAFT OPINION

(Rule 120 of the Rules of Procedure)

of the Committee on External Economic Relations
for the Committee on Institutional Affairs

Draftsman: Mr Jan SONNEVELD

At its meeting of 17 July 1990 the Committee on External Economic Relations appointed Mr Sonneveld draftsman.

It considered the draft opinion at its meetings of 28 February, 23 March and 23 April 1992.

At the last meeting it unanimously adopted the conclusions.

The following took part in the vote: de Clercq, chairman; Stavrou and Junker, vice-chairmen; Sonneveld, draftsman; Chabert, Ib Christensen, Guillaume, Janssen van Raay (for Lemmer), Miranda de Lage, Moorhouse, Peijs, Suarez Gonzales and Visser (for Sainjon).
INTRODUCTION

1. The Hânsch report being drawn up by the Committee on Institutional Affairs is the first stage in an in-depth discussion of the implications of the collapse of the Communist regimes in Eastern Europe and the ensuing disappearance of the ideological confrontation between East and West.

2. The Hânsch report rightly points out that this situation creates challenges for the Community to which it must find an adequate response:

(a) internally, by reforming itself into a real Union;

(b) creating closer links between the Community and the European states associated with it and with the Union;

(c) vis-à-vis the outside world, by developing a new concept of a 'system for confederative cooperation in Europe' in which other countries could also participate (the United States, Canada, the former Soviet Republics including the Russian Federation, Turkey and the non-European countries on the shores of the Mediterranean).

3. According to the rapporteur, the system of confederative cooperation in Europe should be based on existing European organizations, such as the Union, the Council of Europe and the CSCE. The system would take the form of a number of confederations responsible for particular sectors and for seeking joint solutions to problems on a European scale such as energy supplies, environmental protection, health care and combating crime, with the Community acting as the central driving force.

4. With a view to a more effective approach to the vast task facing the Community, the rapporteur puts forward a number of proposals, some more far-reaching than others, concerning the structure of the Community; these proposals have already given rise to some controversy in the committee responsible. In particular, the suggestion that the Presidency of the European Council and the Council of Ministers should change annually under a system of rotation involving the five larger Member States has met with understandable resistance. Similarly, we have not yet heard the last word on a proposal to introduce a limited number of working languages. The Committee on Institutional Affairs has also questioned the rapporteur's proposals regarding the role of the other institutions and the Council in particular.

5. Finally, the rapporteur suggests that a further intergovernmental conference should be convened before 1996 to build upon the Union Treaty of 10 December 1991 in such a way as to ensure that the Community can absorb other European states without surrendering its cohesion, its ability to take decisions, and its democratic legitimacy.

Observations

6. The discussion of a Pan-European order is undoubtedly a useful exercise and one that should be taken seriously. It is regrettable therefore that the discussion is currently being conducted on two fronts, namely the Pan-European order as such on the one hand and, on the other, fairly detailed proposals on institutional reform. This approach may result in attention being distracted from the main topic - the Pan-European order - (as has clearly been the case with the discussion on the Hânsch report so far).
7. It would have been preferable for Parliament first of all to draw provisional conclusions on the Pan-European order (with the Hansch report becoming an interim report), which could then have been expanded at a later stage. The question of institutional reform would then not have been on the agenda until the second stage. There is in fact no hurry about discussing this aspect since the rapporteur wants the intergovernmental conference to be convened by the end of 1995 at the latest.

However, since the rapporteur has raised these institutional issues, our committee will also have to state its position on them.

8. The rapporteur's proposal that the Presidency of the European Council and the Council of Ministers should change each year under a system of rotation involving the five larger Member States is not, in our view, well-founded. If we understand the situation correctly, during the debate in the Committee on Institutional Affairs Mr Hansch questioned whether the administration of a 'small' country would be capable of assuming the Presidency in the future (widening and deepening). We would dispute this assumption. No evidence can be found in the history of the Community that the larger countries have fulfilled the Presidency more successfully than their smaller partners. Indeed congratulations are due here to Luxembourg and Ireland (far from being the largest Community Member States) who have always provided an effective Presidency.

During 1991 the Netherlands Presidency came in for a great deal of criticism over the issue of Yugoslavia. Some of this criticism may have been justified but it is debatable whether one of the larger - and in this area more committed - Member States would have been more successful. Indeed, the differences of view with other larger Member States might well have been more marked.

The most important objection to this proposal from Mr Hansch is that it is incompatible with the democratic nature of the Community.

9. This said, we readily recognize that the present organization of the Presidency has a number of drawbacks.

One of these is the strict alphabetical order in which the Presidency rotates. We support the rapporteur's proposal that the Presidency of the Council should henceforth consist of three Member States: a President and two Vice-Presidents, but on the understanding that within this 'troika' there should always be a balance between the larger and smaller Member States and between the northern and southern Member States. It would also be desirable for each member of the troika, the President and the two Vice-Presidents, to be given specific portfolios to make the Presidency more effective and more professional in its approach.

10. We would also support the rapporteur's proposal that if there is an increase in the number of official languages, agreement should be reached on a limited number of working languages. The question which immediately arises here is for which activities the official languages should be used and when the working languages should be used. First of all agreement would, of course, have to be reached on how many and which working languages would be adopted.
11. So much for our initial observations on the institutional proposals made by Mr Hänisch. We realize that these do not fall directly within the terms of reference of the Committee on External Economic Relations but they do affect all the committees indirectly.

In this context, we should like to put forward a further suggestion for consideration by the Commission and Parliament: would it not be a good idea, with a view to improving cooperation between the two institutions, for the responsibilities of the Members of the Commission and those of the parliamentary committees to be aligned? Each parliamentary committee would thus have a counterpart in the Commission and vice versa. The Members of the Commission would then not have to appear before a number of bodies (leaving aside those depending on political groups) to say the same thing. Similarly, parliamentary committees would be able to concentrate on the activities for which one Commissioner is responsible. This suggestion could be taken into account at the next European Parliament elections and when the new Commission is appointed.

12. It is also assumed that before a decision is taken on any further enlargement of the Community, the number of Commissioners will be restricted to the number of policy sectors for which Parliament has set up committees. This would not of course rule out deputy Commissioners being appointed for smaller areas of policy.

On the Pan-European order as such, the following observations should be made.

13. First of all, the applications for accession to the Community from the countries eligible for membership should be met as soon as possible. This applies in particular to the relevant EFTA countries (Austria, Sweden and Finland). The EEA should primarily be seen as a transitional phase preceding full membership. It is inconceivable that the other EFTA countries (with the possible exception of Iceland) will accept the EEA as a permanent framework for cooperation, in that they share virtually all the rights and obligations of the Community but ultimately have no say in internal decision-making. The accession of these countries is not likely to have an adverse effect on the decision-making process and they should ultimately subscribe to all the existing rules.

14. Secondly, in our view, the Central and Eastern European countries associated with the Community, so far Hungary, Poland and Czechoslovakia, should have the closest possible links with the Community. There are social, psychological and cultural arguments to support this view. However, it is also important to ensure that these countries do not find themselves in a political vacuum, particularly in view of the still uncertain situation in the Commonwealth of Independent States (the former Soviet Republics). We would therefore support paragraph 5 of the motion for a resolution.

15. Finally, we would question paragraph 10 of the motion for a resolution. Why should a number of non-European countries (the United States and Canada) be mentioned by name and others (Japan and Australia) not? In this technological age we cannot imagine that the rapporteur was influenced by their distance from Europe.
Conclusions

The Committee on External Economic Relations:

(a) suggests that the Hänisch report should be an interim report so that its conclusions can be expanded upon at a later stage; it should include only those matters which relate to improving the way in which the Community operates with a view to the inevitable increase in the number of Member States in the near future;

(b) supports the proposal to introduce a 'system of confederative cooperation in Europe' in the form of functionally oriented confederations responsible for certain sectors and for finding solutions to specific problems on a European scale, with the Community providing a central focus and momentum;

(c) considers that many non-European countries with a democratic structure should also be involved in the system of confederative cooperation in Europe to achieve a more coherent representation of interests worldwide;

(d) recognizes that the Community will have to take a number of decisions concerning its internal structure if it is to achieve a more effective approach to the vast problems it will be facing;

(e) rejects the proposal that the Presidency of the European Council and the Council of Ministers should change each year under a system of rotation involving the five larger Member States since it is incompatible with the democratic nature of the Community;

(f) supports the idea of further development of the Troika system for the Presidency of the Council. The three Member States which form the Troika perform the duties of the President and Vice-Presidents respectively. As the Troika system is developed, care must be taken to ensure that:

(i) there is a balance between larger and smaller Member States and between the more northern and more southern Member States;

(ii) a rational distribution of tasks between President and Vice-Presidents is achieved in order to increase the professionalism of the Presidency;

(g) advocates that at the next enlargement of the Community a limited number of working languages should be introduced;

(h) considers that the responsibilities of the Members of the Commission on the one hand and of the parliamentary committees on the other should be more closely aligned and that efforts should be made by both sides to work with a single counterpart;

(i) proposes that at the next accession the number of members of the Commission should be restricted to the number of relevant areas of policy - with only one Commissioner responsible for external economic relations - but does not rule out the possibility of appointing 'deputy Commissioners' for subsiding areas of policy;
(j) hopes that the negotiations on the accession of the relevant EFTA countries (Austria, Sweden and soon Finland) will start as soon as possible and regards the EEA primarily as a transitional phase preceding full membership;

(k) considers that the Central and Eastern European countries associated with the Community (shortly Hungary, Poland and Czechoslovakia) should be anchored to the Community as firmly as possible to avoid the risk of a political vacuum in these regions;

(l) is of the firm opinion that future enlargement of the EC should neither be allowed to slow down the development of democratic structures and efficient decision-making processes in the Community nor to endanger the ultimate goals of the Union.