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BRIEFING ON

THE 1996 INTERGOVERNMENTAL CONFERENCE AND THE ENLARGEMENT OF THE EU

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These briefings have been drafted by the Parliament Secretariat Task Force on the Intergovernmental Conference. Their purpose is to gather together, in an organized, summary form, the proposals and suggestions which the authorities in the Member States, the Union's institutions and specialist commentators have put forward on the issues likely to be on the IGC 96 agenda.

Briefings will be updated as negotiations proceed.

# Already out:

- 1 The Court of Justice
- 2 The Commission
- 3 The Court of Auditors, ESC and COR
- 4 Differentiated integration
- 5 The common foreign and security policy
- 6 The role of the national parliaments
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# **BRIEFING**

# ON

# THE 1996 INTERGOVERNMENTAL CONFERENCE AND THE ENLARGEMENT OF THE EU

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# BRIEFING ON

# THE 1996 INTERGOVERNMENTAL CONFERENCE AND THE ENLARGEMENT OF THE EU

#### 1. Introduction/Conference agenda

At the Copenhagen summit (21/22 June 1993), the European Council offered full membership of the EU to the Heads of State and Government of the associated Central and Eastern European states on condition of their full acceptance of the "acquis communautaire" and the EU's ability to cope with new Member States. According to the European Council, membership requires in particular that the prospective Member State has stable institutions which guarantee democracy, the rule of law, human rights and respect for and protection of minorities, the existence of a functioning market economy and the capacity to cope with competitive pressure and market forces within the Union. Moreover, membership presupposes the candidate's ability to take on the obligations of membership including adherence to the aims of political integration, economic and monetary union.

This position has been reconfirmed at the summits of Essen, Cannes and Madrid in December 1994, June 1995 and December 1995 respectively. Moreover, at the Essen summit an accession strategy for Central and Eastern European states was produced and in Cannes a White Paper concerning their integration into the internal market of the EU was approved by the Council of Ministers.

In the meantime Hungary, Poland, Romania, Slovakia, Lithuania, Estonia, Latvia, Bulgaria and the Czech Republic have applied for full membership. Slovenia has announced its intention to do so.

Following the political decision of the European Council of Madrid of December 1995 it is expected that the Council of Ministers will decide to commence accession negotiations six months after the end of the IGC, after having consulted the Commission and the European Parliament as required by Article O of the Treaty on EU.

According to the Treaty on EU, Eastern enlargement has not been scheduled for discussion during the 1996 IGC. However, the Essen European Council has pointed out that it will be one of the main tasks of the 1996 IGC to prepare the Union for further enlargement. In order to prepare itself for enlargement, institutional reform and a re-evaluation of the decision-making process will be high on the agenda on the 1996 IGC.

Furthermore it is to be expected that the IGC will also consider a number of other key problems related to enlargement (impact on the CAP and on structural policy, increased costs, etc.) as well as the implementation of the strategy to prepare the Eastern countries for accession.

## 2. Positions of the EU Institutions

#### 2.1 Position of the European Council and the Council of the Union

Sources: Presidency Conclusions of the European Council in Madrid of December 1995; Draft Mandate for the 1996 IGC of 16 January 1996 (Council of the Union); Presidency Conclusions of the European Council in Turin of 29 March 1996.

- The European Council has pointed out in Madrid that one of the main areas where results should be achieved is enabling the Union to function better and preparing it for enlargement. The IGC should thus examine the ways and means to improve the efficiency and democracy of the Union. The Union must also preserve its decision-making ability after further enlargement. Given the number and variety of the countries involved, this calls for changes to the structure and workings of the institutions. It may also mean that flexible solutions will have to be found, fully respecting the single institutional framework and the "acquis communautaire".
- "Following the conclusion of the IGC and in the light of its outcome ..., the Council will, at the earliest opportunity, take the necessary decisions for launching the accession negotiations. The European Council hopes that the preliminary stage of negotiations will coincide with the start of negotiations with Cyprus and Malta six months after the conclusion of the 1996 IGC."
- In Turin the European Council has emphasised that future enlargement, which represents a historic mission and a great opportunity for Europe, is also a challenge for the Union in all its dimensions. In this perspective, institutions, as well as their functioning, and procedures have to be improved in order to preserve its capacity for action, while maintaining the "acquis communautaire" and developing it and also respecting the balance between the institutions. It is essential to sustain the very nature of European construction, which has to preserve and develop its features of democracy, efficiency, solidarity, cohesion, transparency and subsidiarity.

In order to improve the Union's institutions, and also in view of preparing the future enlargement, the Heads of State or Government stress the need to look for the best means to ensure that they function with greater efficiency, coherence and legitimacy. The conference will have to examine:

- the most effective means of simplifying legislative procedures and making them clearer and more transparent;
- the possibility of widening the scope of codecision in truly legislative matters;
- the question of the role of the European Parliament besides its legislative powers, as well as its composition and the uniform procedure for its election. The IGC should equally examine how and to what extent national parliaments could, also collectively, better contribute to the Union's tasks.

As regards the Council, whose functioning must be improved, the IGC should address

the questions of the extent of majority voting, the weighting of votes and the threshold for qualified majority decisions.

The Conference will have to examine how the Commission can fulfil its fundamental functions with greater efficiency, having regard to its composition and taking into account its representativity.

The Conference should examine whether and how to improve the role and functioning of the European Court of Justice and Court of Auditors. It should also examine how to achieve greater clearness and quality of legislation and ways and means of a more effective fight against fraud.

The Heads of State or Government ask the Conference to examine whether and how to introduce rules either of a general nature or in specific areas in order to enable a certain number of Member States to develop a strengthened cooperation, open to all, compatible with Union's objectives, while preserving the "acquis communautaire", avoiding discrimination and distortions of competition and respecting the single institutional framework.

#### 2.2 Position of the Commission

Sources: Report of 10 May 1995 on the operation of the Treaty on EU; Commission position of 6 December 1995 on the Reflection Group report; Commission opinion of 28 February 1996 "Reinforcing Political Union and preparing for enlargement"

- With regard to enlargement the Commission considers that the Conference will have to address three issues:
  - a) the institutional implications of the increased number of Member States;
  - b) the need to eschew unanimous voting;
  - the incorporation of a system of flexibility, enabling the Union to move ahead without being held back by its slowest members.
- In order to adapt the institutions the Commission proposes several institutional changes:

#### a) The Commission

The Commission takes the view that, in the context of enlargement, the number of its Members should be reduced to one per Member State. The Commission is aware that its composition and structure will have to be re-examined, when the number of Member States is further increased. The Conference should fix an appropriate procedure for doing this.

# b) The Council

The Conference should examine various ways of extending the scope of the Presidency's powers of action, and the order of rotation of the halfyearly periods. The Commission considers that, in order to maintain the existing balance, there is justification, when enlargement comes, for either adapting the weighting of votes or introducing a new system which makes a reference to both a majority of the Member States and a majority of the Union's population.

# c) The European Parliament

Parliament itself proposed limiting its membership to 700. The Commission agrees.

- The Commission takes the view that the EU must make it possible to have forms of cooperation or integration between those of its members wishing to progress faster and farther in the attainment of the objectives of the Treaty on EU. In the Commission's view, however, this must be done within a single institutional framework and must centre on a common objective. The Commission is opposed to a "Europe à la carte". Moreover, the requisite flexibility will have to be guided by the following principles, so as to guarantee the unity of the Union:
  - a) compatibility with the objectives of the Union;
- b) opportunity for other Member States which are willing and able to join at any time;
- c) safeguarding the single market and the policies accompanying it.

  The Commission, subject to review by the European Court of Justice, will have to ensure that the principles set out above are respected.

#### 2.3 Position of the Parliament

Sources: Bourlanges and Martin report on the functioning of the Treaty on EU with a view to the 1996 IGC (adopted on 17 May 1995); Resolution of 14 December 1995 on the agenda for the 1996 IGC with a view to the Madrid European Council; Resolution of 13 March 1996 on the basis of the Dury/Maij-Weggen report on (i) Parliament's opinion on the convening of the IGC, and (ii) evaluation of the work of the Reflection Group and definition of the political priorities of the European Parliament with a view to the IGC.

In the report adopted on 17 May 1995, a number of concrete proposals are made to make the Union operate more efficiently, democratically, transparently and coherently. With a view to enlargement the most important are:

#### a) The Commission

There should continue to be at least one Commissioner per Member State; however, the Commission's structure and composition must be adapted to its new tasks and to the need of enlargement if its collegiate responsibility and effectiveness are to be maintained.

This could be done by:

- a greater presidentialization of working methods;
- an internal restructuring of the Commission.

#### b) The Council

The present system of six-month Presidencies of the Council and the European Council should be maintained, but there should be greater flexibility in their operation.

Further extension of qualified majority voting is required if the EU is to function effectively. For certain areas of particular sensitivity, unanimity will remain necessary, i.e. Treaty amendment, "constitutional decisions" (enlargement, own resources, uniform electoral system) and Article 235. The system of voting within the Council may need to be adjusted. However, this should not be done on the basis of a "double majority" of States and population.

#### c) The European Parliament

The number of Members of the European Parliament cannot be indefinitely increased and should not exceed 700.

# d) The European Court of Justice

More flexible internal operating arrangements should be introduced to permit the Court of Justice and the Court of the First Instance to face up to the increase in their workload and the prospect of enlargement.

- The Parliament believes that in view of the increasing diversity of the EU, further flexible arrangements may well be required in the future, but these:
  - a) should not undermine the single institutional framework, the "acquis communautaire" or the principles of solidarity and economic and social cohesion throughout the EU;
  - b) should not undermine the principle of equality of all States and citizens of the Union before the Treaty;
  - c) should not lead to a "Europe à la carte";
- "Parliament reserves the right to put forward any proposals which may prove necessary in order to take better account of the implications of the enlargement including the financial prospects of enlargement and not to undermine the principles of competition, cooperation and solidarity which have always been fundamental to European integration."
- In its resolution of 13 March 1996 the Parliament reaffirms and reiterates its aforementioned resolution of 17 May 1995 as the basis of its position on the IGC.

# 3. Positions of the Member States

#### 3.1 Austria

Sources: Guidelines (of the Austrian government) on the subjects likely to be dealt with at the 1996 IGC; 1996 IGC - basic position of Austria (28 March 1996)

The Austrian Policy papers indicate that:

- in the context of Union enlargement institutional reform is necessary to consolidate and strengthen the Community's capacity to act and the efficiency of action in the field of economic, social and environmental policy;
- with regard to models for differentiated integration, the guidelines single out four principles to be observed:
  - a) differentiated integration should remain the exception not the rule: phased integration should be the model to follow;
  - b) in the case of phased integration, the goals for EU integration should be determined in common. With regard to the institutional aspects of phased integration, the guidelines favour the use of a single institutional framework;
  - c) differentiated integration should not be allowed in political areas where certain Member States wish to secure competitive advantages;
  - d) the different levels of integration should remain open to those Member States not taking part. Agreements establishing integration at various levels should include transitional agreements.

# 3.2 Belgium

Sources: Government policy paper to the Belgian Parliament on the 1996 IGC (28.7.1995); "Memorandum" of the Benelux countries for the 1996 IGC (March 1996)

According to the Policy paper of the Belgian Government:

- during the IGC Belgium will be guided primarily by its wish to consolidate the Union;
- consolidation should enable the Union to continue to expand without risking dissolution or compromising economy and monetary union. With this in mind, and with regard to the institutional adjustments required for expansion, Belgium assumes that each country will have to be able to have a say in the decision-making process which will thus need to improve its efficiency;
- the Union should first adapt its working methods, and its policies cannot be extrapolated unconditionally as regards their substance;
- the IGC is not the forum for discussing renegotiation of the Union's system of finance and enlargement must be incorporated not by dismantling any existing policies but by introducing special transitional measures in the final accession Treaties;
- the new Member States will have to accept the "acquis communautaire" in its entirety and share all of the Unions's objectives, if necessary by setting up a

multi-speed arrangement managed by the Commission;

- the Belgium Government rejects the idea of "Europe à la carte". With regard to models for differentiated integration, Belgium singles out the following principles to be observed:
  - a) differentiation is not an end in itself but a last resort to protect the progress of integration from any veto;
  - b) it should create a "traction effect";
  - c) the target scope of differentiation must be carefully selected and suited to the task:
  - d) institutional derogations must be minimised;
  - e) the efficient operation of the market must not be compromised;
    Belgium emphasises this position within the "Memorandum" of the three
    Benelux countries. According to this paper the following additional
    principles have to be observed:
    - compatibility with the objectives of the Treaty on EU;
    - central role of the Commission in applying the criteria and the modalities concerning the differentiated integration;)
- on preparations for enlargement, the Belgian Government considers that the applicant countries should make similar efforts to comply with the conditions for accession laid down by the Copenhagen European Council in June 1993 with regard to arrangements for democracy and the market economy. The EU should also be preparing for enlargement, and here the paper proposes transitional mechanisms for a limited period and subject to certain criteria.

#### 3.3 Denmark

Sources: Agenda for Europe: the 1996 IGC. Report of the Danish Foreign Ministry, June 1995; Basis for negotiations - Open Europe: the 1996 IGC (11 December 1995)

- Denmark has a political, economic and security-policy interest in seeing the countries of Central and Eastern Europe become part of the EU. Enlargement can help to consolidate democracy in these countries. On the economic level, enlargement will lead to sustained progress throughout Europe by increasing trade. Enlargement will also provide the basis for greater cross-frontier cooperation on common problems. This applies particularly to the environment, where there is a need for greater effort.
- The IGC must above all lay the foundations for the enlargement. Therefore the Treaty must be adapted so that enlargement can become a permanent and effective EU cooperation. In addition, there will be a need after the IGC for reforms in a number of specific areas, e.g. agricultural and structural policies.
- The Danish Government intends to work for a result at the IGC which will

make it possible to embark with all speed on negotiations for the accession of the countries of Central and Eastern Europe, including the Baltic States.

- After the IGC, accession negotiations with the applicant countries should all begin at the same time.
- Denmark will try to ensure that when the time comes transitional agreements are made which take account of the particular conditions in these countries and give them increasing access to EU markets.

#### 3.4 Finland

Sources: Memorandum of the Foreign Ministry of 18 September 1995 on the views of the Finnish Government concerning the 1996 IGC; Initial considerations and objectives of the Finnish Government for the 1996 IGC of 27 February 1996

The Finnish Government is of the view that:

- one of the areas where results should be achieved is enabling the Union to function better and to prepare it for enlargement;
- therefore institutional changes will be needed;
- the objectives for the Union's development and the timetable this will require should be defined jointly, respecting the right of all the Union's Member States to take part in the decision-making process on an equal footing. The EU cannot be based on differing classes of membership. The Member States may only in exceptional cases decide by common agreement that a given country should observe a different speed or timetable in its progress towards fulfilment of the jointly agreed objectives;
- concerning differentiated integration the Finnish government supports the proposals put forward by the Reflection Group.

#### 3.5 France

Sources: Proposals put forward by President Chirac during his presidential campaign; Letter from the President of the French Republic, Jacques Chirac, and the Chancellor of the Federal Republic of Germany, Helmut Kohl (6 December 1995); "Orientations of France for the IGC" - published in the "Figaro" on 20 February 1996; "Common Foreign and Security Policy" - Guidelines adopted by the Foreign Ministers of France and Germany on 27 February 1996; Governmental Declaration on the IGC of 13 March 1996 by Michel Barnier, Minister for European Affairs

With regard to the fact that accession negotiations with the countries of Central and Eastern Europe cannot start without a previous institutional reform of the EU, France is very keen for the IGC to be as short as possible and concentrate on the essential items of institutional reform in order to avoid a delay of the political integration of Europe. Therefore, France has established the following three priorities:

- a) to reform the institutions of the EU with a view to enlargement;
- b) to bring the Union closer to its citizens;
- c) to create a true common foreign and security policy.
- The French Government proposes several institutional changes. According to the governmental declaration the institutions of the EU should become more democratic, more transparent and more close to the national parliaments and the citizen. Furthermore, the French Government believes that in order to prepare the EU for enlargement reinforced cooperation between some of the Member States should be permitted.

This position is shared by President Chirac. During his presidential campaign he proposed: "European integration must spread eastward, very rapidly and without fail. The EU which today has fifteen members and tomorrow will have been enlarged to include twenty or thirty members, must continue to form the foundations of the European edifice.

Within the founding family that is the Union, those Member States which so wish must be in a position to forge special bonds and reinforced forms of solidarity. ... Member States which wish to go faster and further together must be allowed to do so. ... I would add that once these strengthened joint actions have been launched, they will be open to such Member States as might be willing and able to take part."

The accession negotiations with the countries of Central and Eastern Europe are supposed to commence in 1998.

# 3.6 Germany

Sources: Coalition agreement of the government parties - CDU, CSU, FDP - of 11 November 1994 for the current legislative period; Joint declaration of 15 July 1995 by the German and Italian Foreign Ministers regarding the 1996 IGC; Letter from the President of the French Republic, Jacques Chirac, and the Chancellor of the Federal Republic of Germany, Helmut Kohl (6 December 1995); "Common Foreign and Security Policy" - Guidelines adopted by the Foreign Ministers of France and Germany on 27 February 1996; "German objectives for the IGC" (26 March 1996)

Moreover, particular mention should be made of the proposals presented by the CDU/CSU group in the Bundestag as the political and parliamentary base of the present government led by Helmut Kohl:

Manifesto of the CDU/CSU group in the Bundestag of 1 September 1994; Discussion paper on strengthening the European Union's ability to act in the field of CFSP of 13 June 1995

 According to the German policy paper of 26 March 1996, which refers to the coalition agreement of the government parties and the letter of Jacques Chirac and Helmut Kohl of 6 December 1995, with a view to enlargement the IGC should focus on a few priority objectives such as the institutional reform of the EU and the introduction of a system of "differentiated integration".

- On the question of "differentiated integration", the German Government believes that all Member States should be able to participate on the same terms in the progress of European integration. However, where one of the partners faces temporary difficulties in keeping up with the pace of progress in the Union, it would be desirable and feasible to introduce a general clause in the Treaties enabling those Member States which have the will and the capacity to do so to develop closer cooperation among themselves within the single institutional framework of the Union.
- The Manifesto of the CDU/CSU group in the Bundestag proposes a wide-ranging reform of the EU aimed at making its institutions more democratic and making it possible for new members from the countries of Central and Eastern Europe to join in the near future.
- The Manifesto also advocates a multi-speed Europe and states that a key aim would be to move Germany away from the dangers of nationalism and transform it into a focus of stability at the heart of Europe. The process of integration should be led by a "hard core" of five states (Germany, France, The Netherlands, Belgium and Luxembourg), with cooperation focusing on the new policies set down in the Treaty on EU. This "hard core" would be open to other Member States such as Spain, Italy, and Great Britain once they had resolved "current problems" and if they wished to take part in the project.
- Several countries of Central and Eastern might join the EU around the year 2000.

#### 3.7 Greece

Sources: "Towards a citizens' Europe - democracy and development": memorandum for the 1996 IGC (January 1995); Conclusions of the inter-ministerial committee of the Greek Government (Athens, June 1995); Memorandum of the Greek Government of 24 January 1996 for the IGC: positions and reflections of Greece; "For a democratic European Union with Political and Social Content" - Greece 's Contribution to the 1996 IGC (Athens, 22 March 1996).

- One of the main objectives of the Greek Government is to ensure the institutional, political and economic conditions necessary for the EU's successful enlargement to Cyprus, Malta and the countries of Central and Eastern Europe. In the view of the Greek Government there is an imminent need to reform and further develop the institutional system of the EU in order to make it more democratic, efficient and transparent, while also capable of facing the challenges of the future enlargement. The development and adjustment of the institutional system must be based on certain basic principles, including:
  - institutional unity and equality of all member states/reinforcement of the single institutional framework.

- the preservation of the basic institutional balance, as has been shaped by the Treaties and historical experience.
- the preservation of the institutional, legal and political "acquis communautaire".
- Greece opposes any notion of a two- or three-speed Europe, such as the notion of "differentiated" or "flexible" integration, a "multi-speed" Europe, or a "hard core" Europe. It will not accept any proposals contrary to the principle of the equal rights and duties of all the peoples of Europe, and especially not in the economic field. Total opposition is expressed to any idea of allowing new Member States to join and then relegating them to second-class status.

Greece believes that the method of "temporary transitional provisions" which is provided for in the Treaty and has been successfully tested is the answer to the problems posed by the need for a deepening of the unification and enlargement process. This is the method which ensures the unity of goals as well as institutional unity and contributes to the cohesion of the EU without hindering the acceleration of unification;

- enlargement should not be a pretext for the reversal of the economic and social conditions that support the present equilibrium within the EU. Enlargement must be associated with the issue of own resources in cases where the accession of certain countries will cause excessive pressure on the Community budget and Funds;
- new Member States must respect human rights, constitutional democracy and free competition.

#### 3.8 Ireland

Source: "Challenges and opportunities abroad" - White Paper on foreign policy (March 1996)

- The Irish Government considers that enlargement will enhance European stability and confidence and, in the case of Central and Eastern Europe, open up new markets with significant potential. However, the Government would not accept an enlargement process which altered the essential character of the Union to that of an expanded free trade area.
- With a view to enlargement an institutional reform of the EU will be needed.
- Some degree of flexibility in the process of integration may be necessary in order to ensure that the new Member States can be absorbed without hindering the continued development of the Union. However Ireland would be firmly opposed to proposals leading to the creation of an exclusive hard core of Member States which would result in the fragmentation of the Union and work to the detriment of its coherence.
- The timing of accession by the countries of Central and Eastern Europe will depend on a number of factors, most notably:

- the date of the completion of the IGC;
- the pace and complexity of enlargement negotiations;
- the capacity of the applicants to assume the demands of membership.
- Conditions which must be met by candidate states include the achievement of stable democracy, the rule of law, human rights and the protection of minorities; the existing of a functioning market economy; and the capacity to cope with competitive pressure and market forces within the Union.
- It is likely that some applicants will be members of the Union early in the next decade. But it is most unlikely that all of the countries concerned will accede to the Union at the same time. Each application for membership will be considered on its own merits.

#### 3.9 Italy

Sources: Italian Government statement of 23 February 1995 on foreign policy guidelines; Italian Government statement of 23 May 1995 on the IGC to review the Maastricht Treaty; Joint declaration of 15 July 1995 by the German and Italian Foreign Ministers regarding the 1996 IGC; Position of the Italian Government on the IGC for the revision of the Treaties (18 March 1996)

- The Italian Government believes that the success of the IGC is a prerequisite for future enlargement of the Union.
- It considers that the gradual adoption of Community legislation by Central and Eastern European countries is a matter requiring careful attention and that the Union should likewise seek to foster integration by developing basic facilities and intensifying cooperation.
- Some policies, in particular the common agricultural policy, will need to be revised and adjusted.
- The institutional system will need to be adjusted as well to the requirements of a Union that has fifteen members and is likely to be further enlarged. Within this framework, priority must be given to assessing the operation and composition of the Institutions and bodies of the Union, and simplifying the Treaty and the procedures laid down in it.
- With regard to differentiated integration, Italy notes that it will be difficult to avoid arrangements of this kind for the new policies (foreign and security policy and justice and home affairs) where countries will move at different speeds although towards the same goal. Differentiated integration will be the key for resolving the dilemma over deepening and widening, in other words, between unity and flexibility. Certain conditions must be set if integration is to proceed at different speeds, including first and foremost the principle of institutional unity. A further necessary condition must be the preservation of the "acquis communautaire".

# 3.10 Luxembourg

Sources: Luxembourg Government memorandum of 30 June 1995 on the 1996 IGC; "Memorandum" of the Benelux countries for the 1996 IGC (March 1996)

- Luxembourg accepts that, for reasons recognized as objectively valid by the Commission and the Council, some member states may wish to move at a different speed from others. It believes that different speeds of integration will be inevitable in the event of future enlargement. However, this phenomenon should be viewed in the light of the 1976 Tindemans report, in other words not as a "Europe à la carte", since all are agreed on the final objective to be achieved in common and are therefore committed to it.
- (Concerning the common position of the three Benelux countries see also 3.2)

#### 3.11 The Netherlands

Sources: Note on the enlargement of the EU: the opportunities and obstacles (published November 1994 and debated in Parliament February 1995); "Memorandum" of the Benelux countries for the 1996 IGC (March 1996)

- Eastern enlargement should happen as soon as possible, whilst safeguarding the Union's cohesion and stability, and after the appropriate and institutional adjustments have been made. As regards its attitude towards future accession negotiations, the Dutch Government announces that it will be guided not only by the objective of safeguarding cultural values but also by the democratic principles and fundamental rights set out in the Treaty on EU, subject to the following four aims:
  - a) the achievement in Central and Eastern Europe of a stable security policy, socio-economic development and democratic stability;
  - b) the maintenance of Germany's active participation in the process of European integration, as well as in the joint European and Atlantic security structures;
  - c) the maintenance of the internal market and a common legal system, and hence a European Union capable of acting decisively;
  - d) the achievement of the above objectives at a reasonable cost.
- (Concerning the common position of the three Benelux countries see also 3.2)

#### 3.12 Portugal

Source: "Portugal and the IGC for the revision of the Treaty on EU". Document published by the Ministry of Foreign Affairs in March 1996

- Portugal gives its support to the final objective of extending the process of integration to the East and South.

- With a view to enlargement the IGC must essentially endeavour to guarantee efficient, cohesive and integrated action by a Union enlarged to a large number of new Member States.
- Portugal believes it to be of the utmost importance that any readjustment of the Institutions, of its mechanisms and procedures should preserve the essential institutional balance, the single institutional framework and that it should respect the principle of the participation of all the Member States in the Union's decision-making process.
- Portugal is against the introduction of a system of differentiated integration. The institutionalisation of a possible "hard core" of States which would continue the integration process, deepening or broadening it, while others, which would not be able or wish to advance in all fields at the same rate would be pushed aside, would introduce a de facto dualism into the process, which would be hardly compatible with the joint progress in solidarity which the process of EU has always presupposed.

A model of this type could only stand a chance of being viable if the final objective to be reached together were defined and agreed by all and only if its implementation were temporarily spread out over a period of time, while respecting always the single institutional framework of the Union. That would mean that the whole system was governed by clear rules, established a priori and by all. For each of those fields in which asymmetrical progress might take place, criteria would be determined, which, once reached, would imply full and immediate participation in the areas in question. Special mechanisms could also be set up to support States which were temporarily not able to bind themselves to all the policies.

#### 3.13 Spain

Sources: Spain and the 1996 IGC - document on the 1996 IGC: starting points for a discussion (presented in March 1995); Reflection paper of 4 July 1995 on the WEU - Contributions to the 1996 IGC; "Elements of a Spanish position to the 1996 IGC" (28 March 1996)

- The Spanish Government states that the next enlargement is a political imperative, as well as a new opportunity for Europe.
- Spain believes that the major issue is neither when enlargement should happen (after the end of the IGC) nor which countries should be admitted (the republics of the former USSR are not considered eligible, at least under present circumstances, with the exception of the Baltic republics), but rather how enlargement should take place. Enlargement will require both a genuine deepening of the EU via the IGC and the resolution of the problems which will arise in its wake.
- Spain considers the concepts of "variable geometry" or "reinforced solidarity" to be the most practical means of superseding the antithesis between widening and deepening of the Union. Any such compromise would, however, be

subject to the following conditions:

- a) case-by-case authorisation;
- b) "last resort" status;
- c) openness to all;
- d) temporariness of the differences in the degree of integration;
- e) the existence of accompanying measures to strengthen global coherence and ensure the convergence of those lagging behind;
- f) preservation of the entire "acquis communautaire";
- g) retention of the single institutional framework;
- h) compatibility with political stability in Europe.
- Spain rejects any system of differentiated integration which might lead to a "Europe à la carte".

#### 3.14 Sweden

Sources: Note of July 1995 on the fundamental interests of Sweden with a view to the 1996 IGC; Report of the Swedish Government of 30 November 1995

- Sweden has a great interest in enlarging the EU towards the East and thinks that once the Conference is completed the negotiations for enlargement should begin with a large number of countries at the same time and should be completed as each respective country is fully prepared for accession. It is particularly important to Sweden that the Baltic States should be treated in the same way as the other Central and Eastern European countries.
- On the institutional question, Sweden considers that enlargement should be backed up by strengthening cooperation to give the EU the necessary capacity to take decisions and formulate policy both internally and in the international sphere, on matters relating to foreign, security or commercial policies;
- The various concepts of differentiated integration should not be discarded automatically, since they allow a degree of flexibility which could be necessary to strengthen cooperation. "Europe à la carte" does not interest Sweden as it could damage the opportunities for bringing about the advantages of the single market.

#### 3.15 United Kingdom

Sources: White Paper of the British Government of 12 March 1996: "A Partnership of Nations"- the British approach to the European Union Intergovernmental Conference 1996; Statement by the Secretary of State for Foreign and

Commonwealth Affairs, Malcolm Rifkind, on the White Paper of 12 March 1996

- The British Government believes that the IGC is clearly important for the EU's future. But in the view of the United Kingdom it is not the only, or perhaps even the most important, challenge which the Union faces.
- Outside the scope of the IGC, the Member States must prepare for the enlargement of the Union to the East and South. That will involve reforming the Community's agricultural and regional policies. Meanwhile, the Member States cannot ignore the urgent need to strengthen Europe's competitiveness and thereby generate new jobs. There will also be hard choices to make on a single currency and on the Union's future financing. In the view of the British government these critically important matters do not fall within the scope of the IGC.
- Nevertheless, the United Kingdom proposes several institutional changes with a view to enlargement. According to the White Paper the Member States should argue constructively for Treaty changes to improve the operation of the Union, so that Europe can face and overcome the challenges ahead and, in particular, enlargement;
- The British Government believes that, especially with the prospect of enlargement, the EU should be able to respond more sensitively to the needs of an increasingly diverse membership. According to the White Paper the Union needs to accept a degree of flexibility or, as it is sometimes described, "variable geometry", without falling into the trap of a two-tier Europe with a hard core either of countries or of policies. Conformity should never be sought for its own sake. There may be areas in which it is perfectly healthy for some Member States to integrate more closely or more quickly than others. According to the White Paper it is however important that such policies only become Union policies, and draw on the Community's institutions, including the budget, where this is agreed by all. In addition, no Member State should be excluded from an area of policy in which it wants to participate, and is qualified to do so.

# 4. Positions of the States of Central and Eastern Europe

#### 4.1 Bulgaria

Source: "Position Paper" of the delegation of the Republic of Bulgaria for the second meeting of the Association Council Bulgaria - EU (24 January 1996)

- Bulgaria shares the view that accession negotiations with the Central and Eastern European countries should commence immediately and simultaneously after the IGC. In Bulgaria's view it is of the utmost importance that the principle of starting on an equal footing should be observed in the course of the accession process. Bulgaria welcomes the decision of the Madrid Council that all Central and Eastern European countries shall be regularly informed about the progress of the IGC at special meetings every two months and

believes that this mechanism will work effectively.

#### 4.2 Czech Republic

Source: "Memorandum" of the government of the Czech Republic presented with the application for membership of the Union on 23 January 1996

The Czech Republic sees its future in membership of the EU such as it is and such as it will be shaped by the collective wisdom of its Member States in the months and years to come. The Government of the Czech Republic will be prepared to accept the "acquis communautaire" and the level of integration achieved by the EU at the time of accession of the Czech Republic.

# 4.3 Estonia

Source: "Aide Mémoire" of the Ministry of Foreign Affairs of Estonia (22 November 1995)

- Estonia believes that the 1996 IGC should primarily concentrate on the institutional reform preceding enlargement of the EU; the reviewing of the policies of the EU in different spheres should take place within the framework of the regular activity of the Union and after the 1996 Conference. Estonia is interested in a swift and productive IGC and in the subsequent commencement of accession negotiations with all prospective Member States six months after the end of the IGC;
- Estonia proposes several political and institutional changes:

# a) Institutional changes

# aa) Council

The Council should remain an institution where the role and importance of Member States would be defined as much as possible on the basis of sovereign equality. With regard to the decision-making process Estonia believes that in order to make the activity of the EU more efficient proposals to reduce the number of decisions to be decided unanimously are justified. In Estonia's view it is also necessary to find new working methods for the Council. Concerning the Presidency of the Council Estonia supports a collective, one year Presidency, where, in principle, all participating Member-States are treated equally;

#### ab) Commission

Estonia holds that each Member State should be represented by one Commissioner;

# ac) The European Court of Justice

An enlargement of the competence of the European Court of Justice to include, in addition to the present first pillar, Justice and Home Affairs;

# b) The Common Foreign and Security Policy of the EU

With respect to CFSP procedures, Estonia believes that the topics of the second pillar should remain in the competence of the sovereign Member States and the rule of taking decisions on issues of vital national interest by consensus should be maintained. To guarantee the more efficient planning of CFSP and the carrying out of decisions, Estonia supports the formation of a unit of planning and analysis in the Secretariat General of the Council.

A qualified majority may be considered sufficient for certain issues, especially ones concerning the implementation of decisions made on the principle of consensus.

# c) Comitology and the hierarchy of the EU laws

Estonia considers that the IGC must resolve the difficulties that have appeared in the so-called comitology system, according to which the Council has delegated executive power for implementing EU legislation to the Commission and supervises this implementation through committees and working groups of representatives of Member States. To simplify this mechanism it would seem appropriate to give more executive independence to the Commission, while taking into consideration the supervisory role of the Member States.

#### 4.4 Hungary

Source: No official document published

#### 4.5 Latvia

Source: No official document published; however, based on the expressed opinions of Member States, material prepared by the Reflection Group and the current political situation in Europe, Latvian governmental experts have established a preliminary standpoint

- During further evolution of the EU, institutional and political reforms are not excluded, but the following three principles will remain:
  - a) the IGC should concentrate on institutional reforms while not overshadowing the political urgency of enlargement;
  - b) accession negotiations should start with all prospective Member States simultaneously after the end of the working sessions of the IGC;
  - c) the model of integration should anticipate the acquisition of full member state status. Potential participation within different common initiatives should be determined by the readiness of each individual country to fulfil the necessary criteria;
- Latvia proposes several institutional and political changes:

#### a) Institutional reform

#### aa) Council

The voting system in the Council could be reformed in accordance with the "double majority" principle, where the first criterion would be a qualified majority, taking into account representation of the population, while the second criterion would represent the interests of small countries by granting one vote to each Member State.

Unanimity should be preserved on issues concerning annexes and changes to the Treaties, as well as on questions of enlargement. The revised system of the Presidency should be based on groups of countries on a regional basis, including both small and large countries. In each Presidency countries from the Northern, the Southern and, for example, the Central-Eastern region of the EU should be included.

The term of the Presidency could be extended to 18 months and decisions of the Presidency group, which will probably contain 4 - 5 states, should be taken by majority.

#### ab) Commission

Each Member State should be represented by one Commissioner. However, the establishment of a fixed number would be acceptable. Some members could become Deputy Commissioners.

#### ac) Parliament

A fixed number of seats (not exceeding 750) would be efficient. Changes in the existing representation should be made by proportionally decreasing the number of parliamentarians from each Member State.

#### ad) European Court of Justice

Each Member State should have the right to its own representative in the Court of Justice. Latvia supports the extension of the competence of the Court of Justice.

# b) Common Foreign and Security Policy

Latvia supports two possible improvements:

- the introduction of the principle of "positive abstention";
- the broadening of the application of qualified majority voting where unanimity currently applies, which would strengthen the idea of closer political union.

Moreover, Latvia supports the creation of a CFSP planning and analysis unit located within the Secretariat of the Council, in which the representatives from the Commission would also take part.

#### 4.6 Lithuania

Source: No official paper published. However, there is a unofficial document (non paper) concerning the 1996 IGC drafted by Lithuanian governmental experts

- According to this non-paper, EU enlargement and the problems directly related to enlargement are the most important issues for Lithuania in the context of the 1996 IGC. Among the issues to which Lithuania attaches particular significance are institutional reform, the strengthening of the Common Foreign and Security Policy and questions of security and defence policies (EU/WEU/NATO relations).
- Lithuania believes that EU enlargement is an essential factor for political and economic security and stability in Europe. It expects the 1996 IGC to prepare the Union for enlargement. In this context, Lithuania proposes institutional and political changes:

#### a) Institutional reform

Lithuania would support the extension of qualified majority voting with regard to matters which do not affect vital interests of the EU Member States. It would also support the introduction of the principle of "positive abstention";

# b) Common Foreign and Security Policy Lithuania supports the creation of a planning, analysis and evaluation body.

- Lithuania anticipates that accession negotiations with all associated countries will commence six months after the end of the IGC, irrespective of its success. The beginning of the negotiations should not be related to the ratification of the results of the IGC.
- Taking into account the need to encourage the process of EU enlargement, accession negotiations should not last long and should lead to full EU membership of the associated countries with transitional periods in the first Community pillar if required and full participation in the second and third EU pillars from the date of signing the accession agreements.

#### 4.7 Poland

Source: No official document published. However, there is an unofficial document concerning the Polish position on the IGC drafted by Polish governmental experts

Poland has high hopes and expectations of the IGC. According to the non-paper, the implementation of the basic objectives of the Conference is going to have an impact on the Union's capacity to cope with the challenges before it, especially those of further enlargement. The Conference also has crucial importance for the interests as well as prospects of Poland as a country aspiring to EU membership. Poland believes that the measure of the success of the Conference will be the creation of conditions allowing admission to the

EU of all the candidate countries. Poland reckons that, in accordance with assurances made, the membership negotiations will start at the latest six months after the conclusion of the IGC.

Poland proposes several political and institutional changes:

#### a) Institutional reform

# aa) Representation in the EU institutions

Poland favours retaining the existing decision-making mechanism while taking account of the growing number of participants. Cohesion of the EU requires each Member State to have its own Commissioner. A ceiling on the number of deputies to the Parliament should be imposed as well.

#### ab) Council

The enlargement of qualified majority voting should take place on a case-by-case basis.

#### ac) Commission

Constant verification of the scope of the Commission's executive authority is needed.

# b) Common Foreign and Security Policy

The CFSP, while remaining intergovernmental, should obtain procedural and financial support ensuring effective internal co-operation and more rapid decision-making on policy matters with regard to third states. A better co-ordination of external economic relations (Pillar I) and political relations (Pillar II) is needed. Poland supports the project to create a common policy analysis unit for the CFSP as an intellectual and organisational support for further co-operation.

#### c) Co-operation in the fields of justice and home affairs

Efforts should be made to simplify the institutional hierarchy of the Third Pillar. Poland believes that issues connected with justice (e.g. criminal prosecution) should be resolved at national level.

#### d) Europe closer to its citizens

#### da) Subsidiarity

A mechanism to monitor its implementation should be created.

# db) Transparency

Citizens should be given broader information about the principles on which the EU functions.

#### dc) Solidarity

It should ensure opportunities to participate in EU activities for more and less developed countries alike.

# 4.8 Romania

Source: A Romanian view on the 1996 IGC and the enlargement process (published by the Romanian government)

- According to the government's paper, the IGC is seen by Romania as a turning point which will greatly affect Romania's future, since it will ultimately create the conditions to allow the Union to accommodate and to integrate the countries of Central and Eastern Europe.
- Although the issue of enlargement does not appear as a separate item on the agenda of the IGC, Romania believes that it will underpin the entire debate and the final outcome of the IGC.
- Romania shares the views expressed in the Commission's contribution to the IGC that enlargement and deepening are two perfectly compatible processes and that a construction based on solidarity and openness is not destined to weaken or dilute the Union.
- A major task of the IGC should be the adaption of the EU institutions for enlargement and making them ready for transitional arrangements. In this context Romania stresses that the institutional balance established through the provisions of the Treaty on the EU is a good one and that it does not need major changes or adjustments. Nevertheless, Romania believes in the need for increased transparency and democracy in the activities and functioning of the institutions.

Moreover, it expresses its expectations of political changes in the second and third Pillars:

#### a) Common Foreign and Security Policy

Romania also calls for the establishment of a centre for policy analysis and planning, at the conceptual level, that would ensure a longer term focus for and coherence of the goals pursued.

#### b) Justice and Home Affairs

Romania's concern in this area would be that whatever the final decisions on the further harmonization of immigration and asylum policies and on a common approach to specific civil and criminal matters, these decisions should under no circumstance create new restrictions on the freedom of movement of Romanian citizens.

- Furthermore, Romania believes that, while adapting its institutions, mechanisms and policies with the prospect of enlargement of the EU, the IGC should avoid establishing new criteria for accession or the setting up of new institutions which could delay the accession.
- The issue of the final costs of enlargement and its impact on the common policies should not burden the IGC agenda and under no circumstance should it become a matter of overriding concern that would cause the IGC to miss the

goal of reuniting an artificially divided continent;

Romania believes that the first round of negotiations should involve all associated countries that officially applied for accession and would generally meet the criteria for full membership. Subsequently, a certain degree of flexibility would have to be applied to cope with the differences between the prospective member states, either in the form of differentiated transition periods or in the form of a variable speed membership.

#### 4.9 Slovakia

Source: Position paper of the Slovak Republic for the second Slovak Republic - EU Association Council Meeting (27 February 1996)

- The 1996 IGC is expected to adopt decisions of considerable gravity on a number of issues related to improving the effectiveness of Union activities and to its adaption to a new world order.
- The Slovak Republic believes that talks with associated countries of Eastern Europe will commence as early as possible after the conclusion of the 1996 IGC.
- Slovakia acknowledges that the simultaneous commencement of the discussions need not and, because of objective reasons, cannot mean identical progress and results. It is in its interest to be among those associated countries that proceed at the most rapid pace.

#### 4.10 Slovenia

Source: Slovenia has not published an official document on the IGC. However, the Slovenian Government has adopted a position for consideration by the Slovenian Parliament, which will look at the question of full membership of Slovenia in the EU at an extraordinary session, scheduled for the beginning of April.

- According to this proposal the objective of the Republic of Slovenia is to achieve full membership of the European Union.
- In the view of Slovenia this would be the best case scenario for the social and economic development of the country, for the strengthening of its identity and for the assertion of fundamental national interests within a wider, stable and open Europe;
- The Slovenian Government will thus continue its efforts to ensure as soon as possible the signing of the Association Agreement both as an intermediate stage towards full membership of the EU and as an indispensable institutional framework for the integration of the Republic of Slovenia in implementing the pre-accession strategy prepared by the EU.
- If it will not be possible to sign the Association Agreement during the course of the Italian Presidency, Slovenia will file an application for full membership

of the EU instead, in order to be included among the first group of prospective Member States.

Slovenia envisages full membership of the Union around the year 2001.

# 5. Position of the Reflection Group

Source: Report of 5 December 1995

- According to the report, the next enlargement represents both a political imperative and a new opportunity for Europe, but at the same time it presents the Union with a major challenge requiring an adequate response:
  - a) firstly, in the framework of the IGC, through the reforms designed to improve the Union's functioning in general and institutional reform in particular;
  - b) secondly, in view of the impact which enlargement will have on applicant countries and on the Union.
- The next enlargement will be different from the previous ones because of the large number of applicant countries and the heterogeneity of their political, economic and social situations. To ensure that the next enlargement does not weaken, change the nature of or actually break up the Union, the reforms needed to cope with the challenges involved must first be made.

The enlargement negotiations cannot begin until the IGC has been concluded satisfactorily. The success of the former thus depends on the success of the latter.

In order to enable the Union to work better and to prepare it for enlargement the IGC should examine the ways and means to improve the efficiency and democracy of the Union. Therefore, the Reflection Group proposes several institutional changes:

#### a) The Commission

Concerning the composition of the college the Group identifies basically two possible approaches:

- to retain the present system under the Treaty;
- to ascertain the appropriate number of Commissioners to perform the Commission's duties consistently and effectively. They would then be fewer than the number of Member States.

#### b) The Council

Unanimity should remain the rule for decisions on primary law. In the case of Community legislation, a large majority in the Group is prepared to consider making qualified-majority voting the general rule.

Concerning the Presidency the Group has considered different possible

arrangements. One proposal has been the idea of a team-Presidency consisting for instance of four Member States acting for a period of at least 12 months.

# c) The European Parliament

In the view of the Reflection Group it seems appropriate to fix a maximum number of seats. A majority accept a maximum of 700 in an enlarged Union, as the European Parliament itself proposes in its report.

#### d) The European Court of Justice

With a view to enlargement of the Union some take the view that the number of Judges should be fewer than the number of Member States in order to ensure efficiency and consistency. Others take the line that all States should have a Judge at the Court. A middle course put forward is that not only Judges should count but Advocates-General as well.

Concerning differentiated integration the Group rejects any formula which could lead to a "Europe à la carte". As regards the guidelines to allow flexibility, there is a large majority view supporting the following criteria:

- a) flexibility should be allowed only when it serves the Union's objectives and if all other solutions have been ruled out, and on a case-by-case basis:
- b) differences in the degree of integration should be temporary;
- c) no-one who so desires and fulfils the necessary conditions previously adopted by all can be excluded from full participation in a given action or common policy;
- d) provision should be made for ad hoc measures to assist those who want to take part in a given action or policy but are temporarily unable to do so:
- e) when allowing flexibility the necessary adjustments have to be made to maintain the "acquis communautaire", and a common basis should be preserved to prevent any sort of retreat from common principles and objectives;
- f) a single institutional framework has to be respected, irrespective of the structure of the Treaty.

# 6. Conclusions

To summarise the positions of the parties involved in enlargement, clearly there is agreement that any conditions concerning eastward enlargement will be discussed within the formal negotiations for accession of Central and Eastern European states. Therefore, there is a lack of concrete statements regarding conditions for accession

which go beyond those conditions already mentioned at the European Council of Copenhagen.

After consultation of all parties involved, the 1996 IGC provides the opportunity to prepare the Union for Eastern enlargement. In this context a discussion has evolved concerning, in particular, institutional reform as well as modifications to the decision-making process. As far as the progress of this discussion is concerned, the relevant fact sheets published by the EP's Task Force should be referred to.

The parties involved have adopted different positions in the area of differentiated integration. While a majority of the member states considers a move towards a multi-speed Europe as likely and possibly inevitable, others, namely Portugal and Greece, reject such an approach.

No agreement exists about the exact commencement date of the enlargement negotiations following the termination of the 1996 IGC. However, according to the Presidency Conclusions of the Madrid European Council, the preliminary stage of negotiations will probably coincide with the start of negotiations with Cyprus and Malta, that is six months after the conclusion of the 1996 IGC.

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