



European Communities

EUROPEAN PARLIAMENT

WORKING DOCUMENTS

English Edition

1985-86

441.213

24 April 1985

SERIES A

DOCUMENT A 2-20/85

REPORT

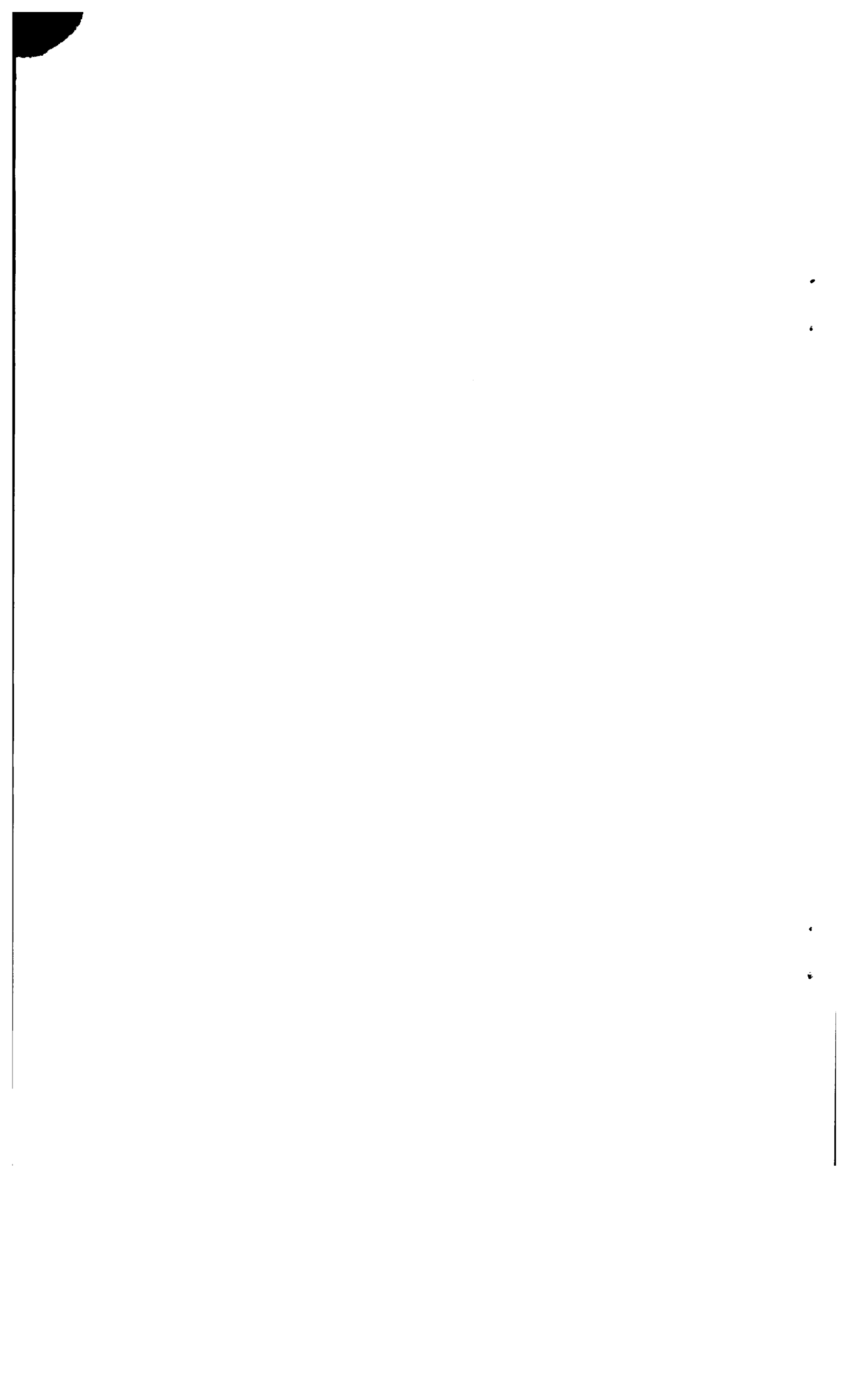
drawn up on behalf of the Political Affairs Committee
on the enlargement of the Community to include Spain and
Portugal

Section I: Report on the conclusion of the negotiations
with Spain and Portugal

Rapporteur: Mr K. HÄNSCH

WG(2)1843E

PE 96.986/fin.



At its meeting of 28 February 1985, the Political Affairs Committee decided, referring to paragraph 2.3.7 of the Solemn Declaration on European Union and the resolution adopted by the European Parliament on 18 February 1982 on the basis of a report by Mr Blumenfeld (Doc. 1-685/81) on the role of the European Parliament in the negotiation and ratification of treaties of accession and of other treaties and agreements between the European Community and third countries¹, to draw up a report on the enlargement of the Community to include Portugal and Spain, divided into two parts - Part I containing the resolution on the consultation of the European Parliament and Part II serving as a basis for the debate on the accession treaties. At the same meeting the committee appointed Mr Hansch rapporteur.

On 16 April 1985, the Council requested the European Parliament to deliver an opinion on the progress of the accession negotiations with Spain and Portugal.

At its meeting of 16 April 1985, the Working Party on the Application of the Treaties and Interinstitutional Relations considered the draft report containing Part I and forwarded it for final consideration to the Political Affairs Committee. At its meeting of 17 April 1985, the committee considered the draft report containing Part I. The motion for a resolution as a whole was adopted unopposed with one abstention.

The draft report containing Part II, which will be accompanied by the opinions of other parliamentary committees, will be considered at a later date in time for submission to Parliament during the September part-session.

The following took part in the vote: Mr Formigoni, chairman; Mr Hänsch, vice-chairman and rapporteur; Lord Douro, vice-chairman; Mr Blumenfeld, Mrs Charzat, Lady Elles, Mr Habsburg, Mr Lomas, Mr Newens, Mr Pelikan (deputizing for Mr Amadei), Mr Prag, Mr Romualdi (deputizing for Mr Le Pen), Mr Segre and Sir Peter Vanneck.

The report was tabled on 18 April 1985

The deadline for tabling amendments to this report will be indicated in the draft agenda for the part-session at which it will be debated.

¹ OJ No. C 66, 15.3.1982, pp. 68 et seq.

C O N T E N T S

	<u>Page</u>
A. MOTION FOR A RESOLUTION	5
B. EXPLANATORY STATEMENT	8

The Political Affairs Committee hereby submits to the European Parliament the following motion for a resolution together with explanatory statement :

MOTION FOR A RESOLUTION

on the conclusion of the negotiations with Spain and Portugal

The European Parliament,

- having regard to the aide-mémoire from the Council of 16 April 1985 on the conclusion of the accession negotiations with Spain and Portugal,
 - having been consulted by the Council pursuant to point 2.3.7 of the Solemn Declaration on European Union signed in Stuttgart¹ (Doc. C 2-14/85),
 - having regard to the various resolutions on enlargement adopted by the European Parliament and in particular the resolutions of 18 January 1979, 17 November 1982, 17 January 1985 and 14 February 1985²,
 - having regard to the report of the Political Affairs Committee (Doc. A 2-20/85),
- A. satisfied that the enlargement of the Community is in keeping with its original mandate to be open to all democratic European States which stand by peace and freedom and to create an ever-closer union between the peoples of Europe,
 - B. recognizing the great importance of enlargement both for the future of the Community and for that of Portugal and Spain,
 - C. convinced that, as the directly elected representative of the peoples of the States united in the Community, it is legally entitled and politically obliged to deliver an opinion on decisions concerning the applications for accession, on behalf of the citizens of that Community,
 - D. whereas it had wished to be consulted on the institutional questions directly affecting the European Parliament at an earlier stage, at which it could still have influenced the Community's final negotiating stance,
 - E. whereas this opinion relates only to the Council's decision concerning enlargement and does not anticipate Parliament's resolution on the ratification of the accession treaties negotiated by the contracting parties,

¹The Solemn Declaration on European Union signed by the Heads of State or Government of the Member States of the European Communities at the European Council meeting in Stuttgart of 19 June 1983, EC Bulletin No. 6/1983, p. 24 et seq.

²OJ No. C 39, 12.2.1979, p. 47

OJ No. C 334, 20.12.1982, p. 54

OJ No. C 46, 18.2.1985, p. 78

OJ No. C 72, 18.3.1985, p. 71

I. Conclusion of the negotiations :

1. Welcomes the conclusion of the negotiations on the accession of Portugal and Spain;
2. Appreciates the efforts made by all those involved to reach agreement, despite some divergent interests on individual issues;
3. Hopes that the accessions will work to the advantage of the new Member States and their citizens and strengthen the Community internally and externally;
4. Expects the Community to fulfil the commitment it has given to the Mediterranean third countries and to cement relations with them through practical measures, placing these relations on a new and mutually satisfactory basis, in accordance with the guidelines submitted by the Commission on the Mediterranean policy of the enlarged Community;

II. Institutional agreements :

5. Declares its approval, with one exception, of the agreements concerning the organs and institutions of the Community;
6. Approves in particular the following agreements regarding the three political institutions :
 - that Portugal will send 24 and Spain 60 representatives to the European Parliament;
 - that Portugal will appoint 1 Member and Spain 2 Members of the Commission;
 - that for Council decisions requiring a qualified majority:
 - . the votes of the acceding countries will be weighted as follows: Portugal 5; Spain 8;
 - . the number of votes necessary for a qualified majority will be 54 where the Treaty requires the decisions to be adopted on a proposal from the Commission;
 - . this number will be 54, cast by at least 8 Member States, in all other cases;
7. emphasizes the great importance it attaches to equal voting rights in elections to the European Parliament for all the citizens of the Community and calls on the Council to request the acceding States as a matter of urgency to carry out the first direct elections to the European Parliament in their country where possible within one year of accession and at the latest to coincide with the first following national elections;

III. OPINION FOLLOWING CONSULTATION BY THE COUNCIL

8. Welcomes the fact that the Council has accepted the Portuguese and Spanish applications for accession;

9. Calls on the contracting States to sign the Treaties of Accession and thereby set in train the process of ratification without delay, so that the scheduled date for accession of 1 January 1986 can be observed;
10. Reserves the right to adopt a resolution on the ratification of the Treaties of Accession after the treaties have been signed and in the light of the texts thereof;
11. Calls on the parliaments of the contracting States to refer to the European Parliament's resolution on ratification in their ratifying legislation;
12. Instructs its President to forward this resolution to the governments and parliaments of the contracting States, the Council and Commission.

B. EXPLANATORY STATEMENT

I. On the procedure to be followed by Parliament

1. The fact that the Council has consulted Parliament on the conclusion of the accession negotiations is both new and unique. It would seem worthwhile, therefore, to begin with a word about the legal and political implications of this step, in order to explain the procedure which Parliament has resolved to follow¹. The admission of new members affects the essential character of the Community. Parliament must play an appropriate part in the decisions on enlargement, commensurate with its enhanced legitimacy following direct elections. This consultation of Parliament crowns its years of efforts to strengthen its influence on the Community decision-making process².

2. However, the concession wrung from the national governments in point 2.3.7 of the Stuttgart Declaration of 19 June 1983, namely that Parliament's opinion should be sought before the accession of a new Member State to the European Community, can be no more than an interim solution: it means only that Parliament is involved in the first phase of the conclusion of the accession procedure. Parliament is excluded - as are the other Community institutions - from involvement in the decision in the second phase. This is especially difficult for Parliament to accept since it has received a European mandate from the supreme power in the Member States, namely the citizens of the Community, to participate in seeking solutions to all Community problems. By virtue of this mandate it is a competent democratic body which should be involved in the decision on the ratification of the treaties of accession. This is especially true given that national parliaments have relinquished their responsibilities in decisive areas without these responsibilities having been transferred to the European Parliament. It is the European Parliament - not the national parliaments - which is one arm of the budgetary authority, having the power to decide on the financial implications of enlargement. It is the European Parliament - not the national parliaments - whose composition and method of work is directly affected by the institutional adjustments to the Treaties which are part of the accession agreements. The urgently needed reform of the Treaties of Rome must ultimately place responsibility for the negotiation and conclusion of accession treaties in the hands of the Community institutions and confer on the European Parliament, in addition to the national parliaments, the right to participate in the ratification decision.

¹Formigoni resolution of 17 January 1985, OJ No. C

²Blumenfeld resolution of 18 February 1982, OJ No. C 66, 15.3.1982, p. 68; and Hansch resolution of 9 July 1981, OJ No. C 234, 14.9.1981, p. 52

Until this is the case, Parliament can do no more than make the best of the limited scope for involvement allowed by the existing Treaties and the Solemn Declaration of Stuttgart. In so doing it is bound to comply with the two-stage procedure laid down in Article 237 of the EEC Treaty and Article 205 of the EAEC Treaty. In accordance with its resolution of 17 January 1985 it intends to deliver an opinion on the conclusion of the enlargement of the Community in two stages:

3. First, after being consulted by the Council on the conclusion of the negotiations: this aspect is covered in Section I of this report on the conclusion of negotiations with Portugal and Spain. Parliament did in fact interpret the Stuttgart Declaration as involving consultation in the normal sense of the word. Accordingly the Council would have had to obtain Parliament's opinion in such a way as to ensure that it was at hand - together with the Commission's opinion required by the Treaties - when the Council decided to act, under Article 237, first paragraph of the EEC Treaty. However, it has proved unwilling to do so. In view of the particular pressure of time and the various political constraints under which the negotiations were concluded Parliament should accept the position on this occasion. As a result Parliament retains the option to deliver an opinion on the Community's decision on enlargement before the accession agreements are signed, instead of doing so before completion of the negotiating phase as has happened in previous enlargement procedures.

4. Secondly, on its own initiative by a decision on the ratification of the accession agreements between the Member States and the applicant States on the conditions of admission and the adjustments to the Treaty necessitated thereby (second paragraph of Article 237 of the EEC Treaty and of Article 205 of the EAEC Treaty).

5. Although in terms of their content these two decisions belong together, they are nevertheless based on two quite distinct legal acts. Parliament's vote in the first stage on the Council decision does not anticipate its vote in the second stage on the ratification of the accession agreements, the only exception being the institutional agreements.

This is an expedient, to enable Parliament to deliver an opinion before the negotiating phase is concluded, on an issue which Parliament has in fact always sought, by virtue of its special rights, to be consulted in the normal way at a stage where by delivering its opinion it could have influenced the Community's negotiating position.

6. It is one of the inconsistencies and one of the provisions which has been made obsolete by the constitutional development of the Community, that the Member States are allowed, as part of the process of enlargement, to amend the number of Members of Parliament and the system for appointing new Members, although the Act of 1976 on direct elections, which sets out the principles governing such matters, confers on Parliament a right of initiative with regard to the uniform electoral procedure (Article 7 of the Act) and both a right of initiative and a right to participate in conciliation with respect to the implementation of the Act (Article 13). Beyond that, Parliament has always maintained the view that, as a general rule, its opinion should be sought on all amendments to the institutional provisions of the Treaties, especially the weighting of votes in the Council under Article 148(2) of the

EEC Treaty, prior to the conclusion of the negotiations³, since it already has such a right in connection with autonomous amendments to the Treaty by the Community under Article 236 of the EEC Treaty, and amendments to the Treaty necessitated by enlargement are merely a specific instance of the above.

7. Parliament was unable to gain acceptance for this interpretation of the law. Nevertheless, it should use the right to be consulted conferred on it by the Stuttgart Declaration as an opportunity to deliver an opinion on the full content of the institutional aspects of the accession treaties, which have a bearing on its own work, before they are signed. The outcome of the negotiations with regard to the first elections of new Portuguese and Spanish Members, is one of the reasons why this is urgently needed. It is precisely on this issue that Parliament should protest firmly at the failure to consult it in good time.

8. Both in its interim report on the enlargement of the Community⁴ and in its proposals for a uniform electoral procedure, on which it resumed discussion in the autumn of 1984, Parliament unambiguously stressed the major importance it attaches to the immediate direct election of new Members. The Council and national governments - despite their ringing speeches in which they continually call for the strengthening of the democratic structure of the Community - have totally ignored Parliament on this issue. The aim of delivering an opinion prior to the signing, therefore, is to call on the Council - late, but perhaps not too late, in the day -, to accompany its decision in favour of accession by an urgent appeal to the Member States to seek a solution in agreement with Parliament prior to ratification.

II. On the institutional agreements in the Treaties of accession

9. The institutional provisions on which Parliament has been asked here to deliver an opinion are adjustments to the Treaties made necessary by the admission of new Member States. It should be pointed out once again that the stipulation in Article 237(2) of the EEC Treaty that the 'adjustments necessitated thereby' should be the subject of the accession agreement essentially goes beyond the agreements made with Portugal and Spain. The transformation to a Community of Twelve - twice the number of members of the original Community - is bound to have far-reaching implications. This applies in particular to the Community's capacity to take decisions, which, even in the Community of Ten has suffered for years as a result of distortion of the Treaty rules and an erosion of common political will.

³Blumenfeld report of 16 November 1981 (Doc. 1-685/81) on 'The role of the European Parliament in the negotiation and ratification of Treaties of accession and of other treaties and agreements between the European Community and third countries'.

Hansch report of 9 July 1981 (Doc. 1-216/81) on 'Relations between the European Parliament and the Council of the Community'

⁴Paragraph 14 of the Lord Douro resolution of 17 November 1982, OJ No. C 334, 20.12.1982, p. 50

10. In the light of the experience with the two previous enlargements, the third enlargement should have also involved a consolidation process, in other words there should have been a thorough overhaul of the Community 'machinery'. The Commission drew attention to this in its 'fresco'⁵. The governments committed a serious error in shirking this important duty yet again. Not even the initial steps towards reform undertaken by the governments, via the Ad Hoc Committee on Institutional Affairs, are likely to make up for the lost time. The necessary policy decisions ought to have been made before the conclusion of the accession negotiations. As it is, this enlargement gives no guarantees as to the future decision-making capacity of the Community.

11. The adjustments to the Treaties relating to the composition and working methods of the Community institutions must satisfy two basic criteria:

- all Member States must be represented in all bodies;
- the existing balance of forces between the Member States should remain unchanged and the criteria applied to new members should be those applied in the context of similar decisions in previous years⁶.

The agreements reached take account of the above criteria. Parliament should therefore agree to them, with the exception of the arrangements for direct elections of the new Members of Parliament.

12. The Community's original proposals with regard to the adjustments affecting the Commission and Council, endorsed by Parliament in its resolution contained in the interim report⁷, were accepted by the applicant states. Parliament can therefore stand by its earlier vote. The following two comments are called for:

On the membership of the Commission: Parliament has already called on numerous occasions, for a restructuring of the Commission which would strengthen its Community character and coherence and permit a balanced distribution of responsibilities. The addition of two Spanish Members and one Portuguese Member of the Commission is not likely to help matters. On the contrary, the shortcomings of the existing 14-Member Commission are likely to be highlighted even more when there are 17 Members. Parliament should therefore renew its call for the size of the Commission to be reduced to one Member from each Member State.

On the weighting of votes in the Council: The provisions governing the weighting of votes in respect of decisions which must be taken by qualified majority (Article 148(2) of the EEC Treaty) and the quorum required for a qualified majority are of key importance. As long as the Council alone has the right of decision, these provisions will determine not only the political weight of the individual Member States, but also the Community's ability to take decisions and outline policies. Consequently, the amendment of Article 148 of the EEC Treaty is of direct relevance to the future work of Parliament.

⁵Part 2 of the 'General considerations on the problems of enlargement', Communication of 20 April 1978 from the Commission to the Council in supplement 2/78 to the Bulletin of the European Communities.

⁶See footnote 5

⁷Paragraphs 16 and 17 of the resolution of 17 November 1982

13. In this context, the agreements will determine future developments in three particularly important areas:

- (a) The number of votes required for a qualified majority (54) means that two 'big' Member States on their own will no longer be able, as in the past, to form the blocking minority which is important in the budgetary procedure (22 votes will be required in future as against 19). This is a sound decision for the enlarged Community, which otherwise would tend to resort even more readily to the expedient of the veto.
- (b) Up to now the four 'big' Member States were unable to form a qualified majority on their own; the same will apply in future to the 'Four' plus Spain. Together they would have only 48 votes, and 54 are required for a qualified majority. This is a means of containing the dominance of the 'big' Member States and ensures the 'small' Member States an adequate say.
- (c) The shift in the political balance of forces as a result of the enlargement of the Community southwards is unmistakably reflected in the majority configurations in the Council: for the first time the 'southern' Member States of the Community (Italy, Greece, Portugal and Spain) have a blocking minority in the Council (22 votes), even if Greece or Portugal do not vote with them. The 'southern' Member States of the existing Community (Italy and Greece) currently have only 15 votes, which are not enough to form a blocking minority (this requires 19 votes). The future situation as regards the qualified majority for decisions which the Treaties allow to be taken without a proposal from the Commission is different: in such cases, the majority of 54 votes must be formed by at least eight Member States (compared to six previously) the votes of the 'southern' Member States on their own will not be sufficient. In these cases, therefore, the existing balance of power between North and South in the Community is maintained. In the other cases, which are the more common, it is the Commission which has a heavy political responsibility: it will have to take good care, in exercising its right to submit proposals, to ensure that its proposals are seen to take full account of the joint interests of both North and South, i.e. the Community interest, in order to prevent delays and mistakes in the decision-making process.

14. The provisions which have a direct bearing on Parliament - i.e. the number of new Members and the date of the first direct elections - were among the controversial issues in the negotiations and the agreement ultimately reached differed from the original proposals on which Parliament had expressed an opinion. The fact that Parliament's opinion on these very issues was not sought before the Community's position was redefined in the course of the negotiations has already been criticized.

Parliament can approve the result of the negotiations with regard to the number of new Members. In its resolution contained in the interim report on enlargement, Parliament endorsed the original proposal⁸, giving Spain 58 seats and Portugal 24 seats. These figures were determined on the basis of the same criteria as those used for the allocation of seats in the Act of 1976 concerning direct elections. They are based primarily on respective population

⁸Paragraph 15 of the resolution of 17 November 1982, OJ No. C 334 of 20.12.1982, p. 50

size, corrected to give the 'small' States more than their proportionate share, to enable them to have a politically representative quota and to bring the seat allocation into line with the number of votes allocated to the Member States in the Council under Article 148 of the EEC Treaty.

The figures, calculated on the basis of the 1976 census, were as follows: Portugal, which has 9.7 million inhabitants, was placed on a par with the medium-sized Member States, Belgium and Greece, which have 24 seats; Spain, which has 36.2 million inhabitants, occupied a middle position between this group and the 'big' Member States which have 81 seats. Thus, the ratio in Parliament, based on the voting ratio in the Council (5 : 8 : 10), was determined as follows: 24 (Belgium, Greece, Portugal) : 53 (Spain) : 81 (the four 'big' Member States).

Neither Spain nor Portugal was in agreement with these proposals. Spain wanted 65 seats and Portugal 25 seats.

Spain cast doubt on both the basis of the census and the method of calculation used. Indeed, more recent statistical surveys show that the population growth rate in Spain is more dynamic than in the other Member States with which it was compared. According to the 1981 figures its population grew by 1.5 million compared to 1976, while the population of Belgium remained static and that of Greece increased by only 0.5 million. Secondly, the Spanish delegation pointed out that the weighting ratio in the Council should not be applied automatically to the number of seats in Parliament, because this had not even been done in the case of the original Member States. That is quite correct: although the Netherlands has five votes in the Council, as do Belgium and Greece, it has one seat more in Parliament, namely 25.

15. The compromise figure of 60 Members agreed with Spain seems appropriate. It reflects more accurately the relative population size even in the medium term, and avoids excessive distortion in the ratio of the number of electors to Members.

The Commission's original proposal for Portugal was, rightly, maintained. Portugal clearly belongs to the group of medium-sized states, (Portugal : 9.7 million; Belgium : 9.8 million; Greece : 9.2 million inhabitants). There is a clear gap between it and the Netherlands (13.8 million), which has only one more seat. Consequently Portugal's case for an additional seat is not valid.

Portugal pointed out that, under Portuguese electoral law, four seats in the National Assembly always had to be allocated to representatives of Portuguese nationals living abroad, two of them specifically for the Member States of the Community. However, this rule cannot be allowed to influence the overall number of Members Portugal is allowed to send to the European Parliament. This number can be determined only by comparison with the number of seats in the other Member States. Moreover, the Portuguese population figures include those Portuguese living abroad in the European Community. If Portugal wishes to apply to the European elections the rules applicable to its national elections, it is free to draw up its constituencies in a way which enables Portuguese nationals living abroad to vote for and be specifically represented by a Member or Members of the European Parliament.

Council, where the Community's power of decision is vested, and in the tendency to undermine the division of responsibilities among the institutions as laid down by the Treaties. If the enlarged Community now has to find compromises acceptable to twelve Member States rather than ten, if it is to retain or regain its ability to act, then there is no other option but to reform the decision-making processes and the division of responsibilities among the institutions. Without such reform, the new Member States, whose good will is today still intact, will soon be following (or be obliged to follow) the bad example of the old ones. It will be even more difficult to reach decisions than has hitherto been the case. Paralysis would be pre-programmed. The Community would quickly be reduced to a mere free trade area bereft of political authority. It must therefore continue, swiftly and decisively, along the road marked out by the Committee on Institutional Affairs. Spain and Portugal should be invited to participate in the governmental conference that is to be convened immediately after the Milan European Council in June 1985.

- C. With the accession of Spain and Portugal, the economic hub of the Community may be, and the political and psychological hub certainly will be, shifted southwards. This is not necessarily a bad thing, either for the Community or for the Member States, which, in this - non-economic - connection will become more strongly oriented towards the periphery: the accessions may increase the Community's sensitivity to developments in other parts of the world, above all the Mediterranean area and Latin America, which could play a decisive role in Europe's future. However, the Community will have to take care that its political and economic centres of gravity do not drift too far apart.
- D. Spain's accession to the Community is admittedly neither a guarantee nor a precondition for its remaining in NATO. Yet if its application had been rejected by the Community, Spain would almost certainly have left NATO. Now that Spain and Portugal are to join the Community, all the European members of the western alliance (with the exception of Norway) will also be Member States of the Community. This makes it a necessity, and also provides an opportunity, for Europe to make its voice in the western alliance heard more clearly and emphatically than hitherto. EPC will accordingly need to be both improved and intensified.
- E. There is a further reason for doing so, namely that the two new Member States will bring with them to the Community a tradition of particularly close relations with certain parts of the world where it has long been expected that the Community would play a more active political role. This is true of part of the Arab world, and above all of Latin America. Because of its history, the Iberian Peninsula serves as a bridge to these regions. The enlarged Community will have to avert the twofold danger that either the new Member States, drawn by the Community's power of attraction over them, will neglect their traditional ties and commitments, or else that their traditional relations with external elements will be pursued in a Community policy for Latin America or the Middle East.
- F. Virtually the entire northern coast of the Mediterranean will be part of the enlarged Community. This means that the Community will have to understand and fulfil its strategic responsibility for the future development of the Mediterranean region as a whole. The enlargement will cause economic difficulties for a number of states in the Mediterranean area. The Community must not sacrifice the historically rooted economic

relations with the other Mediterranean countries, especially those of North Africa, for the sake of protectionist considerations. Further economic destabilization along the southern Mediterranean coast will also endanger the political stability of this area and, by extension, the security of Europe. The enlargement must therefore be coupled with a new definition of the Community's Mediterranean policy, taking into account the significance of this area for Europe's future.

- G. The Community needs to be conscious of the high expectations which the acceding states are pinning on their membership. If these expectations are in a broad measure disappointed, the rejection of European integration on the part of the populations concerned will be all the more violent, and the Community will soon be paralysed. However, the expectations could also be exploited, as an incentive for embarking with spirit and determination on the necessary reforms. Spain and Portugal are today bringing much good will, they do not regard the Community they are joining as a completed and immutable structure, but as a Community in need of further development and consolidation to become more efficient and democratic. They wish to play their part in this. It will be important to take early advantage of the impetus which the Community is showing on the eve of enlargement, before it grinds to a halt in the routine of the old Community of ten.

23. Spain and Portugal have helped to shape the development of European art and religion, science and philosophy. Europe's discovery of and influence on other parts of the world started from these two countries. Europe's worldwide presence originated there. The course of history isolated them, for a time, from economic and political developments in the rest of Europe.

With Spain's and Portugal's accession to the European Community, two European peoples have found their political way back to the Europe to which they have, culturally, always belonged. Through them, the Community will foster its European identity, which would be incomplete without them.



1
2
3

4
5
6

7
8
9