THE LISBON TREATY AND THE
STRENGTHENING OF THE EU SYSTEM
OF GOVERNANCE

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1. Aim of the lecture

Presently, the EU is involved in a threefold process:

- *ad intra*: establishing a trans-national system of governance
- *ad extra*: shaping a consistent profile on the international scene
- overall: the quest for an institutional self-definition

In this lecture we will

- comment on the Lisbon Treaty as the latest expression of the institutional *status quaestionis*
- discuss the challenges the EU is confronted with
2. Sixty years of European integration in a nutshell

1948 The European Movement meets in The Hague
1949 Council of Europe: the assembly method of integration
1950 The Schuman declaration: the Monnet method of integration
1957 The Treaty of Rome: economic integration
1986 The Single European Act: enlargement of the policy horizon
1992 The Treaty on European Union (Maastricht): the political dimension
1999-2002 The single currency in ‘Euroland’
2000-2001 The Nice Treaty and the start of the process of constitutionalisation
2004-2005 The Constitutional Treaty, however not ratified
2007-2008 The Lisbon Treaty, the ratification is pending
3. Deficiencies in the EU system of governance

Technically speaking, the Nice Treaty (2000-2001) was successful in preparing the EU for enlargement.

However, the deficiencies of the EU system of governance were apparent:

- no clear ‘philosophy’ on the integration of national actors (governments and parliaments) with European actors (Commission, Council, Parliament)
- ‘democratic deficit’: the citizens are hardly involved in the process
- complex decision-making procedures in the enlarged Council of Ministers
- no clear profile abroad, due to the segmentation of responsibilities and policies
- the issue of ‘leadership’ in the Union
4. The Convention and the Constitutional Treaty

The Laeken declaration of the European Council (2001) leads the way to a fully new formula of treaty making: via an assembly of representatives of all actors involved (national and European)

The Convention on the Future of Europe deals with the issues mentioned above and reaches consensus. The Heads of State and Government largely accept (90%) this draft, including its qualification as ‘constitutional’, i.e. setting the principles and the institutional framework of the Union.

The Constitutional Treaty (CT) is signed by all member states on 29 October 2004.

However, the ratification process is coming to a standstill after the negative referenda in France and the Netherlands.
5. The major achievements of the Constitutional Treaty

⇒ a new document, limited in size, readable, referring to all major dimensions of the European construction

⇒ highlighting the political profile of the European Union, including its values, aims, symbols and ways of participation

⇒ introducing institutional innovations such as:
  • the permanent presidency of the European Council
  • the strong profile of the High Representative for CFSP
  • the generalization of qualified majority voting in the Council of Ministers
  • co-decision of the European Parliament as general rule
6. The Lisbon Treaty: watering down the CT?

Following the negative referenda on the CT, the ‘Reform Treaty’, later to be called the Lisbon Treaty (LT), was elaborated via the traditional Intergovernmental Conference (IGC) method. Some characteristics:

- any reference to a constitutional status was avoided
- the political symbols (flag, hymn, device) were removed
- the Charter of Fundamental Rights was no longer integrated, but annexed
- the Treaty is conceived as a series of amendments to the existing Treaties: the TEU and the Treaty on the Functioning of the Union (formerly: EC Treaty)
- consequently, the LT is not readable as such

However, the essential institutional innovations have been preserved. The LT has been signed on 13 December 2007. The ratification process is ongoing, despite the negative referendum in Ireland.
7. The EU decision-making process

- **Qualified Majority voting** (QMV) becomes the standard procedure within the Council of Ministers (TEU as amended by LT, art.16).

- **Presently** (until 2014) the Nice Treaty arrangements are still valid:
  - 255 weighted votes on a total of 345
  - 1/2 of the member states in favour on Commission proposals
  - 2/3 of the member states in favour if not on a Commission proposal
  - The majority should represent 62% of the Union’s population

- **From 2014 on** the weighting of the votes is no longer applied. The formula is then
  - approval from 55% of the member states (at least 15)
  - representing 65% of the Union’s population
7. The EU decision-making process

- **Co-decision** (Council – Parliament) becomes the ordinary legislative procedure (art. 289, TFEU)

- Reduced membership of the European **Commission**: from 2014 on, only 2/3 of the member states will nominate a candidate for the Commission (art. 17 TEU/LT)
8. The European Council

“The European Council shall provide the Union with the necessary impetus for its development and shall define the general political directions and priorities thereof. It shall not exercise legislative functions.” (art. 15 TEU/LT)

The European Council is a full EU institution, consisting of

- the Heads of State or Government of the Member States
- its President
- the President of the European Commission

*The High Representative for CFSP is invited to participate.*

The President of the European Council, elected by this Council for a maximum period of two terms of 2½ years, shall chair and drive forward its work. He represents the European Council abroad. This position cannot be combined with a national office.
9. Common Foreign and Security Policy

The High Representative for Foreign Affairs and Security Policy is no longer called ‘European Minister of Foreign Affairs’ (CT).

He is appointed by the European Council, in agreement with the President of the European Commission. He combines, indeed, his responsibilities in the field of CFSP (a Council matter) with the portfolio of External Relations within the Commission.

He shall conduct the CFSP policy of the Union, contributing through his proposals and ensuring the implementation of the decisions of the European Council and the Council of Ministers (art. 18, TEU/LT).

He chairs the Foreign Affairs Council (of Ministers).

He is assisted by a European External Action Service (art.27, TEU/LT).
10. Present-day challenges *ad intra*

- The system of governance is not too consistent. The ‘*community method*’ is primarily used in social-economic matters. The more recently introduced policy fields are approached by ‘*intensive transgovernmentalism*’ (Helen Wallace).

- The member states (and especially the European Council) have sometimes taken over the initiative from the European Commission. A permanent presidency of the European Council could reinforce this tendency.

- The enlargement process has *diversified* the Union, not only in terms of problems to be tackled, but also with regard to the culture of *consensus building*. 
11. Challenges *ad extra*

The *pooling* of the resources of the Council (High Representative) and the Commission (External relations) creates a major opportunity for the positioning of the EU as a global actor. Especially if the policies of the Member States and the Union could be converging and the human resources be shared in an *External Action Service*, a historical breakthrough could be envisaged. However, the Treaty provisions alone do not guarantee the success of the exercise.

The discrepancy between the EU’s positions in the WTO and its low profile in ‘*high politics*’ should be tackled. Precondition is the willingness of the major Member States to act collectively, including in matters of international security. This dimension of the EU’s self-definition is not yet fully developed.
12. Conclusions

The current financial-economic crisis is in many respects challenging the EU’s institutional framework and policies:

- who should deal with this crisis: the States, the Union, the world community?
- will the Union as such be an actor at the *Bretton Woods II* negotiations?
- the strictly monetary policy of the European Central Bank will probably be complemented by some form of ‘economic governance’ in the Eurozone
- the sensitivity vis-à-vis *ecological* issues is compromised by the economic recession. Will the EU lose its ‘pole position’ in the issue of climate change?
12. Conclusions

Apparently, the European integration process is mainly moving forward in reaction to external crises (economic, political, security) rather than triggered by constitutional reflection. Management by crisis seems to be more familiar than management by objectives. Nevertheless, the Lisbon Treaty, however ‘watered down’ it may be, is an important and significant step forward in the European integration process.
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FOR YOUR ATTENTION