



*the european convention*

THE PRESIDENT

**REPORT SUBMITTED BY**

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**TO THE COPENHAGEN EUROPEAN COUNCIL**

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Check Against Delivery  
Seul le texte prononcé fait foi  
Es gilt das gesprochene Wort

After Seville in June and Brussels on 24 October, I am to present to you today an "oral progress report on the Convention's work", in accordance with the Laeken Declaration.

Our work has gathered pace in recent weeks, giving us a clearer idea of possible future developments.

At the same time, the Convention has been bolstered by the arrival of new prominent figures appointed by the Portuguese, Netherlands, Irish, German and French Governments. As a result, four members of the Convention are today attending the European Council.

Finally, on 5 December we received a contribution from the European Commission setting out its views on the content of the future Constitutional Treaty. President Romano Prodi came to present that contribution to the Convention.

My report will focus on three points:

1. the progress of work,
2. the indications that may be drawn from that work,
3. the next stages of the Convention's work.

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## 1. Progress of work

Following the listening phase, we are now in the middle of the study phase.

I said that we had set up ten working groups.

We have just added another one, focusing on "Social Europe". The proceedings of the Working Group on Economic Governance, chaired by Klaus Hänsch, instilled in certain members of the Convention a desire to press on with a more detailed study of the content of "Social Europe".

Of those eleven working groups, eight have already reported to the plenary.

Two working groups ("External Relations" and "Defence") will submit their reports on 20 December.

Finally, the Working Group on Social Europe will report at the first session in February.

Consequently, all the working groups will have presented the outcome of their discussions to the Convention by the beginning of February 2003.

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On 28 October I presented the structure of the future Constitutional Treaty to the Convention.

The draft structure of the future Constitutional Treaty has been approved by the plenary. Its structure is now established - and has been rather well received by the press.

This single text would consist of three parts:

1. provisions of a constitutional nature
2. the Union's policies and their implementation
3. the final clauses and the usual provisions on legal continuity.

This body of provisions would be supplemented by a small number of protocols.

Apart from some editorial adjustments, which would be impossible to present to the public, it seems practically inevitable that this new Constitutional Treaty will replace the existing Treaties. It will therefore have to be ratified by all the Member States once it has been adopted by the Intergovernmental Conference.

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I will now turn to the results achieved by the working groups.

When I spoke to you in Brussels, I presented to you the proposals of the first two working groups – since approved by the Convention – on the political control of subsidiarity by the national parliaments and on the single legal personality of the European Union.

So what are the new recommendations?

1. Greater involvement of national parliaments in the life of the Union.

This can be achieved primarily by more effective control of the action of national governments at European level

and by involving them directly in the control of subsidiarity.

As regards the collective involvement of national parliaments, two broadly similar ideas have been put forward:

- using the Convention method for any future institutional amendments;
- or setting up a Congress of the Peoples of Europe, which would periodically bring together Members of the European Parliament and a proportional number of national members of parliament in the presence of Council and Commission representatives. This proposal has met with a mixed response. In fact, it would fill a vacuum in the European system resulting from the lack of direct communication between European political debate and national political debates, the dynamism of which is witnessed on a daily basis! The President of the European Parliament could preside over those debates.

2. With regard to the Charter of Fundamental Rights, the Convention will propose incorporating that Charter into the Constitutional Treaty.

The Charter's substance would remain unchanged. Some technical adjustments would help to bring about some legal clarification.

On the other hand, there is a very strong tendency in favour of accession by the Union to the European Convention on Human Rights.

A clause in the Treaty would enable the Union to accede to that Convention.

The relevant decision and the arrangements for such accession would be adopted, as is usual, by the bodies empowered to do so.

As regards the Union's economic governance, there is broad consensus on the current allocation of competences between the Union and the Member States:

- the monetary policy of the euro falls within the Union's exclusive competence,
- economic policies remain within Member States' competence.

The Convention has not yet reached consensus on the best way to coordinate economic policies.

Agreement seems to be in prospect on four points:

- institutional recognition of the Eurogroup, which would thus have formal existence. The Commission communication was in favour of this;
- a movement has emerged in favour of single representation of the euro zone in monetary and financial institutions. This is a question that needs thorough examination, and the Convention will produce a proposal in this regard;
- economic and social objectives would be stated in the Constitutional Treaty;
- lastly, no-one has called into question the Member States' fiscal competences as set out in the Treaty. There is strong demand, however, for new procedures to make progress possible in the field of taxation, with the sole aim of ensuring that the single market operates fairly. Some members of the Convention are firmly opposed to the idea, which is nevertheless apparently gaining ground.

On simplifying the legislative procedure and the Union's instruments for action, the Convention will put forward audacious but reasonable proposals.

The number of legislative instruments will be reduced to two: European laws, which will replace Regulations, and European framework laws, to replace Directives.

Decisions should be simplified in the same way, as should the non-binding instruments, namely recommendations and opinions. These five types of Union instruments would be listed and defined in an article of the Constitutional Treaty.

The codecision procedure would become the general rule, with qualified majority voting used in the Council. Some propose adopting a requirement that the majority of Member States must also represent the majority in population terms.

The open method of coordination, which allows Member States to aim for objectives established jointly, would be codified.

The last result to be mentioned concerns the policy of freedom, security and justice.

The third pillar would be abolished. A list of serious and cross-border crimes would be drawn up, to serve as a legal basis for legislation, which would be adopted by the codecision procedure. Mutual recognition of court decisions would be affirmed in the Constitutional Treaty. Finally, the roles of Europol and Eurojust would be confirmed and coordinated.

I believe that these are the main results achieved so far and the main subjects requiring further deliberation.

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I turn now to the work ahead of us.

From the end of January 2003, we will be entering the proposing phase.

This will involve two aspects: drafting the articles of the future Treaty and addressing institutional issues.

We are beginning work on drafting the first articles, those that concern the values and objectives of the Union, and those concerning the Union's competences, a vital subject for gaining the understanding and support of our citizens, who want a comprehensible division of competences between the European Union and Member States, but a subject that arouses little interest in specialised European circles.

These articles should be ready for presentation and discussion next February.

We shall then proceed to the articles on the Union's procedures and means of action, to show the results of the work on simplification.

At the same time, we will undertake more technical work, on the second part of the Treaty – the part dealing with the Union's policies. Here the task is to present in a clarified and unified way the policies that are already set out in the Treaties; we have not been asked to modify these, but to supplement them on certain points (such as economic governance) and to ensure that they are in line with the constitutional provisions of the first part. The areas of "freedom, security and justice" and of "foreign and defence policy" will require new wordings.

We will have the assistance, in this technical task, of a group of experts from the Legal Services, placed at our disposal by the three institutions of the Union.

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Finally – last but not least – intellectually prepared and equipped by our own proceedings, we will begin to devote thought to the operation and powers of the Union's institutions.

It is time to bring this debate back within the Convention!

We will then, whether we like it or not, be entering the worlds of the media and politics, fraught with pitfalls.

But we shall continue to apply our method of gradual and considered reasoning.

We will open the subject up with a general debate in plenary session, on 20 and 21 January 2003, on the content of the contributions that have been submitted to the Convention.

Then we will examine the functioning of the institutions of the Union: the Parliament, the Council, and the Commission, given the weight of numbers which will affect the conditions in which they work. The European Council, which was set up with 19 members, and today in this room has 32, will soon have 52, and then 56 members. Likewise the Commission, which today has 20 members, will expand to 25 members, while the number of Commissioners appointed by the most-populated States will fall from 10 to 6 members.

Let us remember that this weight of numbers, which is the direct consequence of the enlargement which you are preparing to decide on, is the very factor that led to the negotiation of the Treaty of Nice, and to the setting up of our Convention. The conventional wisdom around 1997, in the Parliament as elsewhere, was even that reform should come before enlargement.

Now it is a curious fact that the consequences of this weight of numbers on the shape of debates and the ways decisions are taken by the European Institutions seem to have been ignored in most, though not all, of the contributions submitted to the Convention, as though the subject caused fear and lack of inclination to address it. You yourself, Mr President, are intending to raise the problem in relation to the Council.

Afterwards we shall examine whether it is necessary to change certain aspects of the institutional balance, as some Convention members propose.

We shall do so with great caution, for the institutional triangle, designed by the founders, is an original feature of the construction of a United Europe, reflecting its dual nature as a Union of States and a Union of Peoples.

Any who forget this would be endangering the future of the fine European venture.

Our proposals, therefore, will aim to strengthen the stability and continuity of the three Institutions, the comprehensibility of the European Union and its international action.

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In conclusion, Ladies and Gentlemen, Members of the European Council, I can expect to see you only twice more before our work is concluded.

This is a measure of the importance I attach to your reflections.

At the Brussels European Council next March, I shall report to you on our proposals – and our questions – on the institutional structure of United Europe.

I would like your reactions and comments to help us to plot the course towards this Constitutional Treaty, whose preparation you have entrusted to us, a mission which we will endeavour to accomplish with all the passion deserved by a cause we well know to be both immense and fragile.