Speech by Pierre Werner on the merger of the executives (1966)

Caption: During a speech made in 1966, Luxembourg Prime Minister Pierre Werner comments on the merging of the executives and the location of certain institutions in Luxembourg.

Source: Bulletin de documentation. dir. de publ. Service Information et Presse-Ministère d'Etat. 30.06.1966, n° 8; 22e année. Luxembourg. "Discours de son excellence Monsieur Pierre Werner, Président du Gouvernement, ministre des Affaires étrangères", auteur:Werner, Pierre , p. 19-21.

URL:
http://www.cvce.eu/obj/speech_by_pierre_werner_on_the_merger_of_the_executives_1966-en-3b0fc5b1-a3dd-4be5-bb84-cbdc1feb163e.html

Last updated: 10/08/2016

Speech by His Excellency Mr Pierre Werner, Prime Minister and Minister for Foreign Affairs

At the time when I referred to the Merger Treaty in the Chamber, during my statement on foreign policy in January, the Communities were still in a state of deep crisis, and it seemed then that approval of this Treaty did not rank as a priority objective. Since that debate, however, the process of European cooperation has, most fortunately, made good progress, and that has confirmed the Luxembourg Government's positive attitude to this Treaty.

Indeed, you will remember that, in late January, the representatives of the six governments met in Luxembourg after an interruption of more than six months in Community activities. By the end of their meetings in Luxembourg, they had managed to set aside their differences, which meant that Community activities could resume at the point at which they had stopped in June 1965. In order to satisfy all the interests at stake, the Ministers established a work programme that provides for a degree of synchronisation in the execution of the various priority tasks. The merger of the European institutions forms part of this programme. The most recent EEC Council meetings have led to real progress in all the important areas; even the difficulties that have since arisen in connection with the Atlantic Alliance have not been able to check the new dynamism of the Common Market. This progress means that we can look without pessimism at the future of the Communities.

With regard more specifically to the merger of the institutions, the governments have undertaken to do their utmost to ensure the entry into force of the Treaty signed in Brussels on 8 April 1965, the date envisaged being the beginning of the second half of this year. However, this agreement was subject to two conditions with suspensory effect.

— The first (naturally) was that the Treaty must be approved by the six parliaments;

— The second was that the six governments must agree on the composition, Presidency and Vice-Presidencies of the future single Commission.

This stipulation was essential in order to avoid a power vacuum between the time when the duties of the current executive bodies came to an end and the moment when the new executive body took up its duties. To date, it has not proved possible to appoint the members of the single executive body by common accord or, in particular, to determine who will act as President during the first two-year term of office provided for in the Treaty.

In its report, the Foreign Affairs Committee set out the state of ratification and approval of the Treaty at the beginning of June 1966. Let me point out that today, following the vote in favour by the Second Chamber of the Netherlands Parliament, the Treaty has virtually been approved by the parliaments of every Member State apart from ours, and approval by the Netherlands Senate is imminent.

Having said this, I should now like to analyse various aspects of the Merger Treaty, to the extent that this is still necessary following the very precise explanations set out in the explanatory memorandum, the opinion of the Council of State and the report of the Foreign Affairs Committee.

The first remark we have to make about this Merger Treaty is that it does not destroy the identity of the three Treaties or, therefore, of the three Communities. The Merger Treaty will, however, provide for the concentration in the hands of two institutions (i.e. the single Council and the single Commission) of all the powers previously held by separate institutions, each of which was responsible for applying, within its field of action, the specific provisions of the Treaty of Paris and the two Treaties of Rome respectively. Some people have asked whether this kind of merger of the institutions would ultimately lead to a confusion of powers. They fear that this confusion of powers could lead to the more specific and more supranational provisions of the ECSC being sacrificed. This fear is groundless, for the only effect of the Merger Treaty is to merge the powers established by the three Treaties in the hands of the unified institutions. This does not alter the substance of these powers. Some people might object that, nonetheless, the merger of institutions might lead to

an erosion of powers. To this objection I would reply, in turn, with another question: why should this kind of confusion of powers arise within the single Council or the single Commission when there has never been any threat of a similar phenomenon within the Parliamentary Assembly or the Court of Justice, although both are in exactly the same position, given that, since 1958, they have been common to the three Communities?

Furthermore, it is surely up to each of the six governments to ensure the strict implementation of all the provisions of the Treaties and, where appropriate, to invoke the rights and the protection deriving from them, if need be by using the judicial remedies enshrined in them.

[…]

At another level, it may be useful to point out that the merger will make no changes to the way in which the Member States are represented within the Council. On the contrary, the existing Members of the High Authority and the two Commissions — total number 23 — will be replaced by 14 Commissioners. No later than three years after the entry into force of the Treaty, this number will be reduced to nine. Pursuant to the Treaty, following this reduction their term of office will run for four years. These provisions will bring substantial changes in two respects.

Firstly, the formation of the new executive body will be subject to the rules that we had already accepted in the Treaties of Rome. The co-opting method in force under the ECSC system has been abandoned. It seems that, by and large, this system did not produce the expected results. Henceforth, it will be up to the six governments acting as a body, and to them alone, to determine the composition of the European executive body and to ensure that all the forces and expertise — be they political, economic, social or scientific — of Europe are duly represented within it.

[…]

One criticism that has been voiced on various occasions is that the merger could mean a shift of power towards the executive body, to the detriment of Parliament's influence. Although we may regret […] that the merger of the executive bodies was not taken as an opportunity to strengthen the European Parliament's powers of scrutiny, we must admit that, in itself, the Merger Treaty does not produce any shift of power. In reply to those who refer, in this respect, to the abolition of the budgetary system of the ECSC and its 'Committee of Four Presidents', I would say that the procedure envisaged under the ECSC Treaty was fairly remote from the accepted elementary rules that govern the management of public finances in democratic states. Accordingly, the government feels that the generalisation of the budgetary procedure of the Treaties of Rome represents progress, as regards both financial technique and the European Parliament's power of democratic scrutiny. Henceforth, Parliament will also be called upon to discuss the ECSC draft budget, whereas, at present, this budget lies outside its field of debate.

Having said this, let me return to the basic principle of the operation, which some people, clinging to a conservatism that runs counter to all the trends that became consolidated during the early days of the history of the European organisations, always seem to challenge in an obstinate manner. The government noted with satisfaction that, for its part, the Committee of the Chamber is taking a more realistic approach when it comes to listing in its report the drawbacks arising from the separation of the executive bodies of the three Communities. The moment has now come to put an end to this dispersal of activities, to this conflict of powers, which has, all too long, paralysed the Communities' action in major sectors, beginning with energy policy.

In the same context, during my most recent foreign policy statement I referred to the opinion expressed by the High Authority itself in its 13th General Report, dated 17 March 1965. While pointing out again that, from the very outset, it welcomed the initiatives to create a common executive body and a common Council for the three Communities, the High Authority states in this document that it regards this as a useful opportunity to rationalise the organisation and operation of the European institutions. This statement followed on from the important 'policy report' published in February 1965, in which the High Authority noted that the very development of economic and social integration presupposed the formulation of appropriate policies for

certain sectors as part of a general policy. Nothing could be more logical, the High Authority concluded, than to unify the institutions responsible for formulating this general policy.

However, we must not dwell solely on the practical aspects of the Merger Treaty; we must also look at its political scope. Over the longer term, the merger is bound to give the integrated institutions greater influence. This will be felt less by the Council of Ministers, two branches of which are already *de facto* merged. It is the single Commission that will derive most benefit in terms of enhanced prestige and influence. The European executive bodies were well aware of this: none of them had any serious objections to the merger.

On several occasions, certain political quarters in Luxembourg expressed regret that the merger of the executive bodies was not accompanied by an agreement among the six governments on the guidelines for the next stage of European integration, i.e. the merger of the three Communities themselves. […]

All that remains is to draw attention to an aspect of the Merger Treaty that is particularly important for our country, namely the European destiny of the City of Luxembourg. When they signed the Merger Treaty, the representatives of the six governments took a formal decision on the seat of certain Community institutions and services. The legal basis of this decision, which goes back to proposals submitted by Luxembourg, is in the provisions of Article 37 of the Merger Treaty, pursuant to which the six governments were able to take a unanimous decision on the agreements in question.

Thus, the decision on seats is effectively taken under the actual Merger Treaty, which is subject to the approval of the six parliaments, thus offering us all the necessary guarantees at Community level and with regard to our relations with our partners.

A second reading of the text of the decision and the government's explanatory memorandum will indicate which Community institutions, bodies and services will, in future, have their seat in Luxembourg. Apart from the Communities' political activities, in the form of Council meetings and of the continued location of the Secretariat of the European Parliament, two specific policy areas will be assigned to our country: one is judicial, centred around the Court of Justice; the other relates to finance and banking, centred around the European Investment Bank.

The genesis and scope of these new policy areas were outlined to the Chamber during the debates on the foreign affairs budget in February 1965. It could be said that the Luxembourg proposals were broadly accepted, as regards both their present and their future significance.

It is now up to us to show that we can cope with the specific task entrusted to us under the terms of the new arrangements. They recognise, in a far more formal and explicit manner than the earlier agreements, that the City of Luxembourg is one of the provisional seats of the Community.