## (CVCe

### Conclusions of the Madrid European Council: extract concerning the Intergovernmental Conference (15–16 December 1995)

**Caption:** On 16 December 1995, at the Madrid European Council, the Reflection Group established by the Corfu European Council of 24 and 25 June 1994 and chaired by Carlos Westendorp y Cabeza, Spanish Junior Minister for European Affairs, responsible for making preparations for the revision of the Treaty and for the drawing up of guidelines for reform of the European Union, proposes an agenda for the 1996 Intergovernmental Conference (IGC). **Source:** Bulletin of the European Union. December 1995, n° 12. Luxembourg: Office for Official Publications of the European Union. "Conclusions of the Madrid European Council (15 and 16 December 1995)", auteur:52-58. **Copyright:** (c) European Union, 1995-2013 **URL:** 

http://www.cvce.eu/obj/conclusions\_of\_the\_madrid\_european\_council\_extract\_concerning\_the\_intergovernmental\_conf erence\_15\_16\_december\_1995-en-9c4e7832-45fe-4f04-8ff8-685db0a66521.html **Publication date:** 18/12/2013



### Madrid European Council (15 and 16 December 1995) Conclusions of the Presidency

[...]

#### Annex 15: The Intergovernmental Conference

#### A Strategy for Europe

For six months, the members of the Reflection Group have been working on the European Council mandate to pave the way for the revision of the Treaty at the 1996 Conference and any other improvements in the Union's operation, in a spirit of openness and democracy.

We feel it has been our task not only to establish an annotated agenda for the Conference but also to set in motion a process of public discussion and explanation regarding the thrust of the changes to be made.

#### The challenge

Men and women of Europe today, more than ever, feel the need for a common project. And yet, for a growing number of Europeans, the rationale for Community integration is not self-evident. This paradox is a first challenge.

When the European Communities were established some forty years ago, the need for a common design was clear because of the awareness of Europe's failure over the first half of this century.

Now, almost half a century later, the successive enlargements of the Union, the expansion of its tasks, the very complexity of its nature and the magnitude of the problems of our times, make it very difficult to grasp the true significance of, and the continuing need for, European integration.

Let us accept that complexity is the price that Europe pays to protect our plural identity. But we firmly believe that this creation of Europe's political ingenuity, which cannot take the place of but is now an inseparable counterpart to the Union's Member States, from which its main political legitimacy flows, has been making an invaluable contribution of its own: peace and prosperity based on a definition of common interests and action that is the result not of power politics but of a common body of law agreed by all.

Today Europe has changed, partly because of the Union' success. All those European nations rediscovering their freedom wish to join, or to cooperate more closely with, the European Union. Yet, in Western Europe there is a growing sense of public disaffection despite the Union's contribution to an unprecedented period of peace and prosperity.

We therefore need to explain clearly to our citizens why the Union, which is so attractive to others in Europe, remains necessary for us too.

One reason is that the world outside Europe has also changed. Goods, capital and services nowadays flow globally in an increasingly competitive market. Prices are set worldwide. The prosperity of the Europe of Today and Tomorrow depends on its ability to succeed in the global marketplace.

The end of the cold war may have increased the overall security of Europe. But it has also brought greater instability in Europe.

Furthermore, high levels of unemployment, external migratory pressures, increasing ecological imbalances and the growth of international organised crime have stimulated a public demand for greater security that cannot be satisfied by Member States acting alone.

In an increasingly interdependent world, that reality poses new challenges and opens up new opportunities

### for the Union.

#### The response

However, we are not starting from scratch. Over the last five years, Europe has adjusted successfully to changing times. In 1990, the Community welcomed in the 17 million Germans who had been living on the other side of the Berlin Wall.

The Maastricht Treaty succeeds in mapping out the path of adjustment by the Community to changing times: it establishes a European Union closer to its citizens, setting out the principle of subsidiarity; it establishes the path towards a single currency and puts forward a strategy of economic integration based on price stability that strengthens competitiveness and makes for growth in our economy. It reinforces social and economic cohesion and provides for high standards of environmental protection. It opens the way for a common foreign and security policy and attempts to bring about an area of freedom and of public security.

Since then, in very difficult economic circumstances, the European Union has been able to take timely decisions on progress in line with its new needs: it has agreed to the outcome of the Uruguay Round, it has managed to reach agreement on the Union's finances up to 1999 and it has been enlarged to bring in three new members.

Yet that is not enough. European Heads of State or Government have already identified the steps necessary to develop Europe's strategy for these changing times: the 1996 Conference, the transition to a single currency, the negotiation of a new financial agreement, the possible revision or extension of the Brussels Treaty setting up the WEU and, lastly, the most ambitious target, enlarging the Union to bring in associated countries of Central and Eastern Europe, including the Baltic States, Cyprus and Malta.

That next enlargement provides a great opportunity for the political reunification of Europe. Not only is it a political imperative for us, but it represents the best option for the stability of the continent and for the economic advancement not just of the applicant countries but for this Europe of ours as a whole. That enlargement is not an easy exercise. Its impact upon the development of the Union's policies will have to be assessed. It will require efforts both by applicants and present Union members that will have to be equitably shared. It is therefore not only a great chance for Europe but also a challenge. We must do it, but we have to do it well.

The Union cannot tackle all the steps in that European strategy at once, but it does not have any time to waste. The Heads of State or Government have personally taken responsibility for agreeing on a European agenda for carrying out this plan, which will only become a reality if it finds democratic backing from Europe's citizens.

#### The 1996 conference

The 1996 Conference is an important, but just one step in this process.

The Maastricht Treaty already foresees that a Conference should be convened in 1996 with a limited scope. This scope has subsequently been enlarged at various European Councils.

The Heads of State or Government have identified the need to make institutional reforms as a central issue of the Conference in order to improve the efficiency, democracy and transparency of the Union.

In that spirit, we have tried to identify the improvements needed to bring the Union up to date and to prepare it for the next enlargement.

We consider that the Conference should focus on necessary changes, without embarking on a complete revision of the Treaty.

### (CVCe

Against this background, results should be achieved in three main areas:

- making Europe more relevant to its citizens;
- enabling the Union to work better and preparing it for enlargement;
- giving the Union greater capacity for external action.

#### I. The citizen and the Union

The Union is not and does not want to be a super-state. Yet it is far more than a market. It is a unique design based on common values. We should strengthen these values, which all applicants for membership also wish to share.

The Conference must make the Union more relevant to its citizens. The right way for the Union to regain the commitment of its citizens is to focus on what needs to be done at European level to address the issues that matter to most of them such as greater security, solidarity, employment and the environment.

The Conference must also make the Union more transparent and closer to the citizens.

Promoting European values

Europe's internal security rests on its democratic values. As Europeans we are all citizens of democratic States which guarantee respect for human rights. Many of us think that the Treaty must clearly proclaim these common values.

Human rights already form part of the Union's general principles. For many of us they should, however, be more clearly guaranteed by the Union, through its accession to the European Convention on Human Rights and Fundamental Freedoms. The idea of a catalogue of rights has also been suggested, and a provision allowing for the possibility of sanctions or even suspending Union membership in the case of any state seriously violating human rights and democracy. Some of us take the view that national governments already provide adequate safeguards for these rights.

Many of us think it important that the Treaty should clearly proclaim such European values as equality between men and women, non-discrimination on grounds of race, religion, sexual orientation, age or disability and that it should include an express condemnation of racism and xenophobia and a procedure for its enforcement.

One of us believes that the rights and responsibilities we have as citizens are a matter for our nation states: reaching beyond that could have the opposite effect to that intended.

Some of us also thought it worthwhile to examine the idea of establishing a Community service or European "peace corps" for humanitarian action, as an expression of Union solidarity; such a service could also be used in the event of natural disasters in the Union. Furthermore, some of us recommend that the Conference should examine how to better recognize in the Treaty the importance of access to public service utilities ("services publics d'intérêt général").

We believe that Europe also shares certain social values which are the foundation of our coexistence in peace and progress. Many of us take the view that the Social Agreement must become part of Union law. One of us believes that this would only serve to reduce competitiveness.

Freedom and internal security

### **CVCe**

The Union is an area of free movement for people, goods, capital and services. Yet people's security is not sufficiently protected on a European scale: while protection remains essentially a national matter, crime is effectively organized on an international scale. Experience of the implementation of the Maastricht Treaty over the last few years shows that opportunities for effective European action are still very limited. Hence, the urgency for a common response at European level, following a pragmatic approach.

We all agree that the Conference should strengthen the Union's capacity to protect its citizens against terrorism, drug trafficking, money laundering, exploitation of illegal immigration and other forms of internationally organized crime. This protection of citizens' security at European level must not diminish individual safeguards. For many of us, this requires further use of common Institutions and procedures, as well as common criteria. It is also for national parliaments to exercise political scrutiny over those who administer such common action.

Many of us take the view that, in order to act more efficiently, we need to put fully under Community competence matters concerning third country nationals, such as immigration, asylum and visa policy, as well as common rules for external border controls. Some would also like to extend Community competence to combating drug addiction and fraud on an international scale, and to customs cooperation.

For some of us, however the key to success has to be found in a combination of political will and more effective use of existing intergovernmental arrangements.

#### Employment

We know that job creation in an open society is based on sound economic growth and on business competitiveness, which must be fostered by initiatives at local, regional and national levels. We believe that, in the European Union, the main responsibility of ensuring the economic and social well being of citizens lies within the Member States. In an integrated economic area such as ours, however, the Union also has a responsibility for setting the right conditions for job creation. It is already doing so by the completion of the internal market and the development of other common policies, with a joint growth, competitiveness and employment strategy which is achieving positive results, and with its plan for Economic and Monetary Union.

We all agree that the provisions on the single currency which were agreed at Maastricht and ratified by our parliaments must remain unchanged.

While we are all aware that jobs will not be created simply by amendments to the Treaty, many of us want the Treaty to contain a clearer commitment on the part of the Union to achieving greater economic and social integration and cohesion geared to promote employment, as well as provisions enabling the Union to take coordinated action on job creation. Some of us advised against writing into the Treaty provisions which arouse expectations, but whose delivery depends primarily on decisions taken at business and state-level. In any case, most of us stress the need for stronger coordination of economic policies in the Union.

#### Environment

In essence, the environment has crossborder effects. Protection of the environment is an objective involving our survival not only as Europeans but also as inhabitants of the planet. Therefore the Conference should examine how to improve the capacity of the Union to act more efficiently and to identify whenever that action should remain within the Member State.

#### A more transparent Union

Citizens are entitled to be better informed about the Union and how it functions.



Many of us propose that the right of access to information be recognized in the Treaty as a right of the citizens of the Union. Suggestions have been made on how to improve the public access to Union's documents which should be examined by the Conference.

Prior to any substantial legislative proposal, information should be duly gathered from the sectors concerned, experts and society in general. The studies leading up to the proposal should be made public.

When such a proposal is made, national parliaments should be duly informed and documents supplied to them in their official languages and in due time to allow proper discussion from the beginning of the legislative process.

We all agree that the Union law should be more accessible. The 1996 Conference should result in a simpler Treaty.

Subsidiarity

The Union will be closer to the citizen if it focuses on what should be its tasks.

This means that it must respect the principle of subsidiarity. This principle must therefore not be construed as justifying the inexorable growth of European powers nor as a pretext for undermining solidarity or the Union's achievements.

We believe it necessary to reinforce its proper application in practice. The Edinburgh Declaration should be the basis for that improvement and some of us believe that its essential provisions should be given Treaty status.

#### II. Enabling the Union to work better and preparing it for enlargement

The Conference should 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 call 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".

The European Council, consisting of the Heads of State or Government of the Member States and the President of the Commission, is the highest expression of the Union's political will and defines its general political guidelines. Its importance is bound to increase in view of the Union's political agenda.

Improving democracy in the Union means both fair representation in each of the institutions, and enhancing the European Parliament, within the existing institutional balance, and the role of national parliaments. In this context, it is recalled that, according to the Treaty, a uniform electoral procedure for the European Parliament should be established. Many of us believe that the European Parliament's procedures are too numerous and complex and therefore favour reducing them to three: consultation, assent and codecision.

The current codecision procedure is over-complicated and we propose that the Conference simplify it, without altering the balance between the Council and the European Parliament. Many of us also propose that the Conference should extend the scope of the codecision procedure. One member believes, however, that the European Parliament gained extensive new powers at Maastricht and therefore should grow into these powers before seeking more.

National parliaments should also be adequately involved. This does not imply that they have to be incorporated into the Union's institutions. For many of us its decision-making procedures should be organised in a way which allows national parliaments adequately to scrutinise and influence the positions of

### **CVCe**

their respective governments in the decision-making of the Union. Some of us suggest a more direct involvement of national parliaments: in this context, the idea of a newly established advisory committee has been suggested by one of us. Cooperation among national parliaments and between them and the European Parliament should also be fostered.

The decision-making processes and working methods of the Council of Ministers will need review. The Union must be able to take timely and effective decisions. But efficient decision-making does not necessarily mean easy decision-making. The Union's decisions must have popular support. Many of us believe greater efficiency would be enhanced by more qualified majority voting in the Council, which, according to many, should become the general procedure in the enlarged Community. Some of us believe that this should only be countenanced, if democratic legitimacy is improved by a reweighting of votes to take due account of population. One of us opposes extension on principle.

We consider the role of the Council Presidency to be crucial for the efficient management of the Union's business and we support the principle of rotation. But the present system applied to an enlarged Union could become increasingly disjointed. Alternative approaches combining continuity and rotation should be examined further.

We agree that the Commission should retain its three fundamental functions: promotion of the common interest, monopoly of legislative initiative and guardianship of Community law. Its legitimacy, underlined by its parliamentary approval, is based on its independence, its credibility, its collegiality and its efficiency. The composition of the Commission was designed for a Community of six. We have identified options for its future composition in order to preserve the Commission's ability to fulfil its functions in view of an enlarged Union that may extend to more than twice the number of Member States having negotiated the Maastricht Treaty.

Broadly, one view within the Group is to retain the present system for the future, reinforcing its collegiality and consistency as required. This option would allow all members to have at least one Commissioner. Another view is to ensure that greater collegiality and consistency be attained by reducing the Commissioners to a lesser number than Member States and enhancing their independence. Procedures should be established to select those members on grounds of qualification, and commitment to the general interest of the Union. When deciding the future composition of the Commission, the Conference may also examine the possibility of establishing senior and junior Commissioners.

Some of us believe that the Committee of the Regions has to play an important role in Community legislation and that the consultative role of this body should be better used.

Europe's achievements depend on its ability to take decisions together and then to comply with them. An improvement in the clarity and quality of Community legislation would contribute to this, as would better financial management and a more effective fight against fraud. The Conference should also improve the key role of the Court of Justice especially in ensuring uniform interpretation of and compliance with Community law.

#### III. Giving the Union greater capacity for external action

The Maastricht Treaty has established the Union's Common Foreign and Security Policy. In our opinion, this was the right decision at the right time, at a time with the end of the cold war increasing the burden of responsibility on the European Union to lay the foundations of peace and progress in Europe and elsewhere.

The current possibilities offered by the Treaty have provided some positive results. We believe, however, that the time has come to provide this common policy with the means to function more effectively.

The Union today needs to be able to play its part on the international stage as a factor for peace and stability. Although an economic power today, the Union continues to be weak in political terms, its role accordingly often confined to financing decisions taken by others.

### **«**CVCe

#### **Common Foreign Policy**

We think that the Conference must find ways and means of providing the Union with a greater capacity for external action, in a spirit of loyalty and mutual solidarity. It must be capable of identifying its interests, deciding on its action and implementing it effectively. Enlargement will make this task more difficult, but also makes it even more imperative.

This means that the Union must be able to analyse and prepare its external action jointly. With that in mind, we propose the establishment of a common foreign policy analysis and planning unit. For most of us, this unit should be answerable to the Council. Many of us also think that it should be recruited from Member States, Council Secretariat and Commission and be established within the institutional framework of the Union. It has been suggested by some that the head of the unit, whose functions could eventually merge with those of the Secretary General of the WEU, should be the Secretary General of the Council.

It also calls for the capacity to take decisions. To that end, we propose that the Conference examines how to review decision-making and financing procedures in order to adapt them to the nature of foreign policy, which must reconcile respect for the sovereignty of States with the need for diplomatic and financial solidarity. It should be commonly agreed whether and if so how to provide for the possibility of flexible formulae which will not prevent those who feel it necessary for the Union to take joint action from doing so. Some members favour the extension of qualified majority voting to CFSP and some others propose to enhance the consultative role of the European Parliament in this area.

The Union must be able to implement its external actions with a higher profile. We have examined several possible options for ensuring that the Union is able to speak with one voice. Some of us have suggested the idea of a High Representative for the CFSP, so as to give a face and a voice to the external political action of the Union. This person should be appointed by the European Council and would act under precise mandate from the Council. Many of us have stressed the need for a structured cooperation between the Council, its Presidency and the Commission, so that the different elements of the external dimension of the Union they are responsible for function as a coherent whole.

This greater political role for the Union in the world should be consistent with its current external economic influence as the premier trading partner and the premier humanitarian aid donor. The Conference will have to find ways of ensuring that the Union's external policy is visible to its citizens and the world, that it is representative of its Member States and that it is consistent in its continuity and globality.

#### European security and defence policy

The multifaceted challenges of the new international security situation underline the need for an effective and consistent European response, based on a comprehensive concept of security.

We therefore believe that the Conference could examine ways to further develop the European identity, including in the security and defence policy field. This development should proceed in conformity with the objectives agreed at Maastricht, taking into consideration the Treaty provisions that the CFSP shall include all questions related to the security of the Union, including the eventual framing of a common defence policy, which might in time lead to a common defence.

The Conference will have to take account of the reality that, in the view of NATO members, such a development should also strengthen the European "pillar" of the Atlantic Alliance and the transatlantic link. The Alliance continues to guarantee the collective defence of its members and plays a fundamental role in the security of Europe as a whole. Equally, the right of States which are not members of the Alliance to take their own defence decisions must be respected.

# (CVCe

Many of us feel that the Conference should consider how to encourage the development of European operational capabilities, how to promote closer European cooperation in the field of armaments and how to ensure greater coherence of action in the military field with the political, economic or humanitarian aspects of European crisis management.

Against this background, many of us want to further strengthen relations between the EU and the Western European Union (WEU), which is an integral part of the development of the Union.

In this regard, several options for the future development of this relationship have already been suggested within the Group. One option advocates a reinforced EU/WEU partnership while maintaining full autonomy of WEU. A second option suggests that a closer link should be established enabling the Union to assume a directing role over WEU for humanitarian, peacekeeping and other crisis management operations (known as Petersberg tasks). A third option would be the incorporation of these Petersberg tasks into the Treaty. As a fourth option, the idea of a gradual integration of WEU into the EU has been supported by many of us: this could be pursued either by promoting EU/WEU convergence through a WEU commitment to act as implementing body of the Union for operational-military issues, or by agreeing on a series of steps leading to a full EU/WEU merger. In the latter case, the Treaty would incorporate not only the Petersberg tasks but also a collective defence commitment, either in the main body of the Treaty or in a Protocol annexed to it.

In this context, the idea that the IGC examines the possibility of including in the revised Treaty a provision on mutual assistance for the defence of the external borders of the Union has been put forward by some members.

It will be for the Conference to consider these and other possible options.

Europe and democracy are inseparable concepts. To date, all the steps in the construction of Europe have been decided by common accord by the democratic governments of its Member States, have been ratified by the national parliaments and have received popular support in our countries. This is also how we shall construct the future.

We realize that this reflection exercise by the Group is only one step in a public debate initiated and guided by the European Council. We hope that this public and joint exercise between our nations will lead to renewed support for a project which is more than ever necessary for Europe today.