

The institutions and bodies of the European Union

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The institutions and bodies of the European Union

The development of the Community institutions and advisory bodies

Of the **seven institutions of the European Union** (EU) formally recognised as such since the Treaty of Lisbon (European Parliament, European Council, Council, European Commission, Court of Justice of the EU, European Central Bank, Court of Auditors), four have their origin in the founding treaties of the Communities. They are the Commission, the Council, Parliament (originally known as the Assembly) and the Court of Justice. These four basic institutions are, moreover, the only ones which have a general power of decision-making which determines the development of all the Union's activities. Often referred to as the 'decision-making triangle', the Commission, the Council and Parliament adopt the Community's legal acts. The Court of Justice, the Community's legal body, adopts judicial decisions (in particular, judgments and opinions) which determine the development of the Community legal system.

The Community's institutions have always been assisted by **advisory bodies**.

From its inception in 1952, the *European Coal and Steel Community* (ECSC) had four institutions — High Authority, Special Council of Ministers, Common Assembly, Court of Justice — and an advisory body to assist the High Authority, the ECSC Consultative Committee.

In 1957, the Rome Treaties establishing the *European Economic Community* (EEC) and the *European Atomic Energy Community* (EAEC or Euratom) also made provision in parallel for four institutions — Commission, Council, Assembly, Court of Justice — and an advisory body to assist the Commission, the Economic and Social Committee.

However, the *Convention on certain institutions common to the European Communities* came into force on 1 January 1958, the same date as the Rome Treaties to which it was annexed. The intention of this Convention was to limit the number of institutions required to perform similar tasks in the three European Communities. The Convention provides for a single Assembly and a single Court of Justice, as well as an Economic and Social Committee common to the EEC and the EAEC.

As a result, when the two new Communities were established, although the three organisations shared an Assembly and a Court of Justice, there remained a High Authority, two Commissions and three Councils. The two new organisations shared their advisory body, the Economic and Social Committee, but the ECSC kept its own body, the ECSC Consultative Committee.

On 8 April 1965, the *Treaty establishing a Single Council and a Single Commission of the European Communities*, known as the 'Merger Treaty', was signed in Brussels. When this Treaty came into force on 1 July 1967, the Special Council of Ministers of the ECSC, the Council of the EEC and the Council of the EAEC were replaced by a Council of the European Communities; and the ECSC High Authority, the EEC Commission and the EAEC Commission were replaced by a Commission of the European Communities. The three Communities henceforth shared four institutions: **Commission, Council, Assembly and Court of Justice**.

Although the Preamble to the Merger Treaty regards the creation of single Community institutions as a precursor to the unification of the three Communities, and although the Treaty creates a single budget and a single administration for the Communities, as well as uniform Staff Regulations for their officials and other servants, this unification of the Communities was not to come about (it would subsequently do so, however, with the entry into force of the Treaty of Lisbon; see below). Although merged administratively, each of the three Communities continued to exist with its own legal personality. Moreover, in keeping with the functional separation of the three organisations, the Community institutions retained their respective powers and responsibilities under each Treaty.

After the merger of the executive bodies and until the date of expiry of the ECSC Treaty, the **ECSC Consultative Committee** remained the only body specific to that Community. The activities of the

Consultative Committee were subsequently taken over by the **Economic and Social Committee** under the Treaty establishing the European Community (EC).

The institutions and bodies of the European Union

The 1992 Treaty of Maastricht established the European Union, which was superimposed on the Communities but did not have its own legal personality; however, this did not fundamentally alter the institutional framework. Nevertheless, the role of the European Council as a political body was clarified, and a new consultative body, the Committee of the Regions, was set up.

The Court of Auditors, established in 1977, also became an institution under the Treaty of Maastricht. Provision was made for the Court as early as 1975, particularly after the financial contributions from the Member States were replaced by the Community's own resources in 1971. This institution for financial scrutiny was thereby added, alongside an institution for legal scrutiny — the Court of Justice — to the three decision-making institutions (Commission, Council and Parliament).

The 2007 Treaty of Lisbon merges the European Union and the Communities into a single European Union with legal personality. Technically, the Union replaces and succeeds the Communities. Two new institutions are formally recognised as such, the European Council and the European Central Bank, thereby bringing the number of institutions to seven.

The European Council: origins and development

The European Council was originally a political decision-making body which grew out of the gradual institutionalisation of the conferences of Heads of State or Government of the Member States of the European Communities.

Initially, the Treaties establishing the Communities did not make any provision for summit meetings of Heads of State or Government. Nevertheless, from 1961 on, the practice of holding summit meetings outside the institutional system of the European Communities became established. At the summit held in Paris in December 1974, in order to ensure the development and overall consistency of Community activities and political cooperation activities (the embryo of the future CFSP), the Heads of State or Government decided to meet, accompanied by their Ministers for Foreign Affairs, three times a year and as often as necessary 'as the Council of the Community meeting in political cooperation' (Communiqué of the meeting of Heads of Government of the Community, Paris, 9 and 10 December 1974).

The 1986 Single European Act institutionalised the European Council, indicating that it should bring together, at least twice a year, the Heads of State or Government of the Member States and the President of the Commission, assisted by the Ministers for Foreign Affairs and a Member of the Commission. Yet the single European Act did not define the role of the European Council. It was the 1992 Treaty on European Union which finally laid down its functions by stipulating that it 'shall provide the Union with the necessary impetus for its development and shall define its general political guidelines'.

The entry into force of the Treaty of Lisbon on 1 December 2009 brought with it considerable changes.

First, the European Council officially became an institution of the Union and was given a permanent President, elected by a qualified majority for a period of two and a half years (renewable once). Changes were also made to the composition of the European Council. In addition to its President, who may not hold a national office, the European Council is composed of the Heads of State or Government of the Member States and the President of the Commission. The High Representative of the Union for Foreign Affairs and Security Policy also participates in its work. The Treaty of Lisbon eliminates the systematic participation of the Ministers for Foreign Affairs. They may only assist their Head of State or Government if the agenda so requires. Similarly, the President of the Commission can only be assisted by a Commissioner — other than the High Representative, who is also Vice-President of the Commission — if the members of the European Council give their agreement. The European Council now meets four times a year, convened by its

President.

The European Council therefore sits at the apex of the institutional structure as a political body providing impetus and guidance and setting the priorities of the Union. Since the Treaty of Lisbon, it may even take decisions of an institutional nature or regarding the appointment of senior officials, and its President plays an important role in the external representation of the Union. The gradual strengthening of its role as a political driving force, to the detriment of that of the European Commission, has drawn criticism from advocates of the ‘Community method’ and the traditional ‘institutional balance’, since they see in its involvement the risk of a return to the ‘intergovernmental method’.

The European Central Bank and the European Investment Bank

The picture of the institutions and bodies of the Communities (subsequently of the Union) would not be complete without some reference to the economic entities created by the Treaty establishing the European Community with the aim of managing certain Community policies.

The **European Investment Bank** (EIB), set up in 1957 by the Treaty establishing the EEC, is a financial agency intended to contribute to the attainment of the objectives of the European Community. Initially responsible for financing regional development projects, the EIB has had a more clearly defined role since the reform introduced in 1986 by the Single European Act and the framing of an **economic and social cohesion policy**, which the EIB particularly helps to implement.

Following the reform brought about by the Treaty of Maastricht in 1992, the EC Treaty made provision for the establishment of a **European Central Bank** (ECB) charged with the definition and implementation of the **monetary policy** of the European Community from the moment of transition of its Member States to the third and final stage of Economic and Monetary Union (EMU). The Bank is therefore the successor to the European Monetary Institute (EMI), which was concerned with the coordination of Member States’ monetary policies during the second stage of EMU. For countries participating in the third stage, the ECB became a body specifically concerned with the management of their common monetary policy. It should be pointed out that the ECB may adopt legal acts.

Unlike the institutions and bodies of the EU, the EIB and the ECB have legal personality. Moreover, the 2007 Treaty of Lisbon gave the ECB the status of an institution.

Subsidiary bodies

Alongside the institutions and bodies created by the Treaties, there is a plethora of bodies established by the institutions themselves. These are referred to as subsidiary bodies.

Among these bodies, special mention should be made of the **committees** set up by the Council to assist the Commission in the exercise of the executive powers which the Council confers on it (see ‘comitology’) and the **decentralised bodies** created by the Council for the implementation of certain EU policies (EU agencies and institutions such as the *European Environment Agency*, the *European Centre for the Development of Vocational Training* and the *Office for Harmonization in the Internal Market*, or the *Institute for Security Studies* and *Europol*).

The decentralised bodies generally have legal personality.