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**Twenty-second Bi-annual Report:
Developments in European Union
Procedures and Practices
Relevant to Parliamentary Scrutiny**

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Background

This is the Twenty-second Bi-annual Report from the COSAC Secretariat.

COSAC Bi-annual Reports

The XXX COSAC decided that the COSAC Secretariat should produce factual Bi-annual Reports, to be published ahead of each ordinary meeting of the Conference. The purpose of the Reports is to give an overview of the developments in procedures and practices in the European Union that are relevant to parliamentary scrutiny.

All the Bi-annual Reports are available on the COSAC website at:

<http://www.cosac.eu/documents/bi-annual-reports-of-cosac/>

The four chapters of this Bi-annual Report are based on information provided by the national Parliaments of the European Union Member States and the European Parliament. The deadline for submitting replies to the questionnaire for the 22nd Bi-annual Report was 15 September 2014.

The outline of this Report was adopted by the meeting of the Chairpersons of COSAC, held on 18 July 2014 in Rome.

As a general rule, the Report does not specify all Parliaments or Chambers of which the case is relevant for each point. Instead, illustrative examples are used.

Complete replies, received from 40 out of 41 national Parliaments/Chambers of 28 Member States and the European Parliament, can be found in the Annex on the COSAC website. The Bulgarian *Narodno sabranie* did not answer the questionnaire due to the timing of elections.

Note on Numbers

Of the 28 Member States of the European Union, 15 have a unicameral Parliament and 13 have a bicameral Parliament. Due to this combination of unicameral and bicameral systems, there are 41 national parliamentary Chambers in the 28 Member States of the European Union.

Although they have bicameral systems, the national Parliaments of Austria, Ireland and Spain each submitted a single set of replies to the questionnaire.

Abbreviations

ACER	Agency for the Cooperation of Energy Regulators
AFCO Committee	European Parliament's Committee on Constitutional Affairs
AGS	Annual Growth Survey
BEREC	Body of European Regulators of Electronic Communications
BUDG Committee	European Parliament's Committee on Budgets
CEAS	Common European Asylum System
CEF	Common Europe Facility
CEPOL	European Police College
CONT Committee	European Parliament's Committee on Budgetary Control
CSRs	Country-Specific Recommendations
CULT Committee	European Parliament's Committee on Culture and Education
EASA	European Aviation Safety Agency
EASO	European Asylum Support Office
EBA	European Banking Authority
ECHA	European Chemicals Agency
ECON Committee	European Parliament's Committee on Economic and Monetary Affairs
EDA	European Defence Agency
EFCA	European Fisheries Control Agency
EFSF	European Financial Stability Facility
EIGE	European Institute for Gender Equality
EIOPA	European Insurance and Occupational Pensions Authority
EMCDDA	European Monitoring Centre for Drugs and Drug Addiction

EMEA	European Medicines Agency
EMPL Committee	European Parliament's Committee on Employment and Social Affairs
EMU	Economic and Monetary Union
ENISA	European Network and Information Security Agency
ENVI Committee	European Parliament's Committee on Environment, Public Health and Food Safety
EPPO	European Public Prosecutor's Office
ERA	European Railway Agency
ESAs	European Supervisory Authorities
ESM	European Stability Mechanism
ESMA	European Securities and Markets Authority
EU	European Union
EU-OSHA	European Agency for Safety and Health at Work
EUROFOUND	European Foundation for the Improvement of Living and Working Conditions
Eurojust	European Union's Judicial Cooperation Unit
Europol	European Police Agency
FRA	European Union Agency for Fundamental Rights
FRONTEX	European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union
IMCO Committee	European Parliament's Committee on Internal Market and Consumer Protection
IPEX	Interparliamentary EU Information Exchange
ITRE Committee	European Parliament's Committee on Industry, Research and Energy
IWG	Interinstitutional Working Group
JURI Committee	European Parliament's Committee on Legal Affairs
MFF	Multiannual Financial Framework

MIP	Macroeconomic Imbalance Procedure
NRP	National Reform Programmes
NSP	National Stability Programmes
OHIM	Office for Harmonisation in the internal market
PA UfM	Parliamentary Assembly of the Union for the Mediterranean
PECH Committee	European Parliament's Committee on Fisheries
SGP	Stability and Growth Pact
TEU	Treaty on European Union
TFEU	Treaty on the Functioning of the European Union
TSCG	Treaty on Stability, Coordination and Governance of the Economic and Monetary Union
TTIP	Transatlantic Trade and Investment Partnership
UfM	Union for the Mediterranean

ABSTRACT

CHAPTER 1: EUROPE 2020

The first Chapter of the Bi-annual Report outlines the proposals of the EU Parliaments for the mid-term review of Europe 2020 strategy which will take place in 2015.

Regarding the implementation progress of the targets of Europe 2020, almost all responding Parliaments/Chambers considered the progress on employment and poverty and social exclusion goals unsatisfactory, stressing the need for additional measures to achieve the EU and national targets, such as a more efficient EU growth and employment policy.

A wide range of positions was expressed about the implementation progress of the other Europe 2020 goals (research and development and education).

Most Parliaments/Chambers underlined that the economic crisis combined with fiscal consolidation resulted in reduced investment towards achieving the Europe 2020 targets. Several Parliaments/Chambers noted that Europe 2020 goals could only be achieved by a significant shift in the overall EU approach from austerity to growth oriented policies and measures.

Most responding Parliaments/Chambers considered that the Europe 2020 strategy has not been effectively implemented at EU, national and local level. Several Parliaments/Chambers underscored the remarkable differences in implementation progress among the Member States, as well as among regions within individual Member States.

A wide majority of responding Parliaments/Chambers noted that the five headline targets set in the Europe 2020 strategy and the flagship initiatives contributed positively to boosting growth and tackling unemployment. Several Parliaments/Chambers deemed that the related EU-level levers (European single market, EU budget, EU external agenda) contributed to this purpose as well.

As for the upcoming Europe 2020 strategy review, only six Parliaments/Chambers have so far taken a formal position through different procedures. However, there was wide agreement among the responding Parliaments on the need for a thorough mid-term evaluation. Several underlined the need for updating employment and social cohesion targets and the relevant flagship initiatives and for enhancing the contribution of the EU Budget to the implementation of Europe 2020.

Most responding Parliaments/Chambers noted that the European Semester provided an effective framework for implementing the revised strategy and also viewed the European Semester as a means of further improvement of the revised Europe 2020 strategy. Almost all Parliaments/Chambers agreed that the European Semester should be re-gearred towards growth and employment, although some of them stressed the need for a very careful balance between stronger growth and employment enhancing policies and fiscal stability. Several Parliaments stressed the need for reinforcing the social dimension.

Almost all responding Parliaments/Chambers considered the forthcoming review of governance structures related to the so-called "Six Pack" and "Two Pack" useful towards enhancing the effectiveness of the Europe 2020 strategy. Some of them focused on the role of national Parliaments in the new governance framework.

CHAPTER 2: FUTURE OF THE EU - EU INSTITUTIONS AND PARLIAMENTS

The second Chapter of the Bi-annual Report, building upon previous Bi-annual Reports, parliamentary debates and contributions of several Parliaments/Chambers and with a view to continuing the debate under future Presidencies, takes stock of the overall impact of new prerogatives conferred to national Parliaments by the Lisbon Treaty in relation to their role in the EU, focusing also on the potential of powers not yet exercised by national Parliaments. It further presents how EU Parliaments have reacted, both in the context of scrutiny of their own Government and of the political dialogue, to some significant innovations introduced by the Lisbon Treaty, as well as to new trends in the EU policy and decision-making process, such as the rising role of the European Council and the adoption of intergovernmental treaties in the field of economic governance. Building on the findings of the 21st Bi-annual Report and following the Conclusions of the Conference of Speakers of EU Parliaments in Vilnius (paragraph 22) (6-8 April 2014), this Chapter also collects proposals by national Parliaments and the European Parliament for more efficient use of subsidiarity checks and for new instruments aimed at improving the involvement of national Parliaments in the EU decision-making process. It finally presents national Parliaments' views on a possible further development of the European integration process.

Regarding implementation of the new powers conferred to national Parliaments by the Lisbon Treaty, the majority of responding Parliaments/Chambers believed that the provisions of the Treaties had been implemented in the best possible way. When asked which powers conferred on national Parliaments by Article 12 TEU had had the most positive impact on the good functioning of the Union, the vast majority of responding Parliaments/Chambers favoured information provided by the EU institutions, participation in interparliamentary cooperation and subsidiarity checks.

In relation to powers not yet exercised, a few Parliaments/Chambers mentioned actions before the CJEU on grounds of infringement of the principle of subsidiarity as having the greatest potential to enhance national Parliaments' participation in the EU decision-making process, while only five mentioned veto on bridge clauses.

In relation to new trends in the EU policy and decision-making process, over half of the responding Parliaments/Chambers stated that they had developed specific tools or procedures as regards the rising role of the European Council, while less than half of those responding mentioned tools or procedures in relation to intergovernmental treaties in the field of economic governance. Less than one third mentioned involvement in trade agreement negotiations.

Most responding Parliaments/Chambers stated that they had not taken a formal position on Treaty provisions in relation to delegated acts (Article 290 TFEU). Parliaments/Chambers' views on the main critical aspects of delegated acts varied. Among others, Parliaments/Chambers referred to excessive use of delegated acts and to the need of explicitly defining the objectives, content and scope of the delegation of power.

Regarding early legislative agreements, almost 2/3 of Parliaments/Chambers saw early legislative agreements under first reading as positive with regard to the EU legislative process.

With regard to trilogues between the European Parliament, the Council and the European Commission in the context of the ordinary legislative procedure, half of responding Parliaments/Chambers stated that they were informed about such meetings by their Governments.

Concerning national Parliaments' early involvement in the development of EU legislative proposals, a large majority of responding Parliaments/Chambers supported the idea of *ad hoc* national Parliaments' public consultations.

A wide majority of responding Parliaments/Chambers favoured the idea of creating new instruments aimed at involving national Parliaments in EU decision-making without any formal Treaty changes. In this context, Parliaments/Chambers mostly referred to possibilities in relation to subsidiarity checks and the potential introduction of the "green card". Enhancing the cooperation between national Parliaments and the European Parliament and the political dialogue was also stressed by a few Parliaments/Chambers. The vast majority of Parliaments/Chambers supported that such ideas should be taken into consideration by COSAC in order to foster further interparliamentary cooperation.

Parliaments/Chambers' proposals on how to make more efficient use of subsidiarity checks in the framework of the existing treaties and on the basis of paragraph 22 of the Conclusions of the Conference of Speakers of EU Parliaments in Vilnius, 6-8 April 2014, varied. A number of Parliaments/Chambers underlined, among others, the importance of reinforcing cooperation and better exchanging information among Parliaments/Chambers when scrutinising legislative proposals, while a number of them referred expressly to the possibility of extending or improving the eight-week deadline, developing common guidelines and criteria governing the application of the principle of subsidiarity and improving relations with the European Commission.

The majority of Parliaments/Chambers had not taken a position on a potential further development of the European integration process. Parliaments/Chambers expressed various ideas in relation to the fields in which further sharing of sovereignty or, conversely, re-nationalisation of competences and what institutional changes would be required.

In relation to the question as to how democratic legitimacy should be ensured in case of further sharing of sovereignty considering in particular the role of the European Parliament and national Parliaments, Parliaments/Chambers expressed various ideas mentioning, in general, the need to make more systematic and effective use of their scrutiny/oversight function and of the political dialogue, reminding national Parliaments' role in ensuring democratic representation and advocating closer cooperation between them and the European Parliament.

CHAPTER 3: THE MEDITERRANEAN AND THE ROLE OF EU PARLIAMENTS

The third Chapter of the Bi-annual Report focuses on the cooperation between EU and South-East Mediterranean countries. It provides an assessment of the Neighbourhood policy towards the South-East Mediterranean countries. It highlights Parliaments/Chambers' views on EU actions to address growing migration flows and presents Parliaments/Chambers evaluation of the UfM.

A majority of the responding Parliaments/Chambers did not express a specific position or view on several European Commission's documents on EU Neighbourhood policy. Those

Parliaments/Chambers presenting their opinions, highlighted different issues, such as positive evaluation of the new model, more EU funds allocation to the Euro-Mediterranean Partnership, strengthened border surveillance and not mandatory solidarity aspect, as well as the importance of interparliamentary cooperation.

The vast majority of Parliaments/Chambers, when asked to share their ways of participation in the relaunch of the UfM, and in relation also to the PA UfM, replied that they ensured it through information received by their Governments and through the participation in the PA UfM. According to the findings, in many Parliaments, the reports on developments in the PA UfM are available to all Members of Parliaments.

As regards the parliamentary scrutiny of EU actions to address growing migration flows and the consequent deadly accidents at sea, a number of Parliaments have expressed their views by examining the Commission Communication on Migration (COM (2011) 248 and by scrutinising their Government before or after European Council or Justice and Home Affairs Council meetings (JHA). Some Parliaments/Chambers do this through other means, such as discussing at committee level on EC Communication "An open and secure Europe: making it happen" (COM(2014) 154), issuing opinions on Regulation (EC) No 562/2006 and expressing their views in political statements.

Some responding Parliaments/Chambers gave more specific information on their opinions on EU actions to address the growing migration flows. Among others, responses included positions on relocation of migrants, views on the role of the UfM, the importance of the solidarity and fair-sharing principles, increased financial assistance of FRONTEX, reviews of legislation (Dublin II and Dublin III) and correct implementation of CEAS instruments.

CHAPTER 4: EU AGENCIES AND NATIONAL PARLIAMENTS

The first part of the fourth Chapter focuses on the views expressed by EU Parliaments with regard to the establishment of agencies, the powers delegated to them and the effectiveness of their work and of the existing accountability mechanisms by means of which EU institutions monitor their activity. Even though there is a growing number of European agencies, charged with performing a number of highly technical and occasionally regulatory functions, more than half of the responding Parliaments/Chambers have never carried out neither an overall consideration of the role, function and accountability mechanism of EU agencies nor of a specific agency. The negligible scrutiny performed on the related documents issued by the European Commission, the European Parliament and the Council (Common Approach on decentralised agencies and roadmap) shows that national Parliaments have not, at this stage, deemed necessary to actively take part in the debate on establishing a more consistent and effective framework for the functioning of decentralised agencies.

The second part presents Parliaments/Chambers' evaluation of agencies in terms of their effectiveness as tools to implement European policies, provides insights on cooperation between EU Parliaments/Chambers and EU agencies and gathers Parliaments' ideas on their contribution to the current reflection on enhancing the accountability of EU agencies.

Almost a third of the responding Parliaments/Chambers highlighted the important role of the EU agencies in implementing effectively and timely European policies in various fields thus helping all

the institutions to concentrate on core policy-making tasks. Over a quarter of the respondents expressed criticism mainly in relation to the lack of transparency, cost-effectiveness, good governance and accountability of EU agencies, but also in relation to their proliferation and duplication of their activities. The majority of respondents replied that there was no official position on the appropriateness of the legal bases used for the establishment of European agencies, taking into account the nature and the scope of powers conferred on them.

Over half of the respondents informed that there was no official position on the need to improve the structure and the governance of agencies, while more than a quarter suggested increasing the accountability and control of EU agencies, amongst others by ensuring budgetary discipline and sound financial management, simplifying the structure and governance of agencies, defining the criteria for the choice of the seat and considering the option of merging agencies. Overall, respondents indicated that the effectiveness and adequacy of the existing accountability mechanisms by means of which EU institutions monitor the agencies should be increased and called for the enhancement of parliamentary control over the activities of the agencies. Around half of the respondents believed national Parliaments could contribute to the on-going reflection on enhancing the accountability of EU agencies, mentioning, among others, sharing best practices, using the outcome of their reflection to set up effective mechanisms for agencies' supervision and ensuring strong parliamentary scrutiny of EU agencies by national Parliaments together with the European Parliament.

The overwhelming majority of respondents replied that there were no specific legal provisions, practices or administrative arrangements concerning relations between their respective Parliament/Chamber and EU agencies. Two thirds of the respondents provided figures or information on formal and informal relations with EU agencies since 2010; just over half of the responding Parliaments/Chambers made use of information or expertise provided by EU agencies in the framework of their activities, both at political and administrative level. In the view of most respondents, there was scope for cooperation between national Parliaments and EU agencies to be enhanced; a set of practical recommendations was proposed in this respect.

CHAPTER 1: EUROPE 2020

The EU strategy for growth and employment Europe 2020 will undergo a mid-term review in 2015 in order to assess if it is delivering at European and domestic level, and if the aftermath of the economic and financial crisis requires a review of the goals set in 2010. An initial assessment of the implementation progress has been provided by the European Commission in the communication "Taking stock of the Europe 2020 strategy for smart, sustainable and inclusive growth"¹; the Commission should submit its proposals in early 2015, after assessing the outcome of a public consultation.

The first Chapter of the Bi-annual Report outlines EU Parliaments' proposals in view of the mid-term review of Europe 2020 taking into account, in particular, the positions expressed within the framework of the scrutiny of the abovementioned communication as well as the outcome of the consideration of countries' NRPs.

This Chapter is divided into three parts.

The first part presents the views of EU Parliaments on the implementation progress of the Europe 2020 goals at national and European level, as well as their positions on other relevant issues such as, among others, funding and coordination with other EU policies.

The second part highlights the proposals put forward by EU Parliaments as regards the review of the strategy in 2015, with reference to the Communication COM(2014)130, and also as regards the actions the EU may implement in order to boost growth and employment.

The third part assesses whether the tools and the procedures to implement the Europe 2020 strategy are appropriate, with particular reference to the European Semester for economic policy coordination.

Part A - Implementation progress of Europe 2020 strategy

Scrutiny of the Europe 2020 strategy and progress on the Europe 2020 specific goals

Almost half of the responding Parliaments/Chambers (17 out of 38) expressed their views on the implementation progress of Europe 2020 by scrutinising the Communication "Taking stock of the Europe 2020 strategy for smart, sustainable and inclusive growth". Three Parliaments informed that the Communication was currently under scrutiny.

Twenty-three out of 30 responding Parliaments/Chambers and the responding Committees of the European Parliament considered the implementation of the Europe 2020 strategy under a specific procedure or in the framework of other procedures. Many of them evaluated its progress in parliamentary debates on the documents of the European Semester (Hungarian *Országgyűlés*, Lithuanian *Seimas*, Dutch *Eerste Kamer*, Estonian *Riigikogu*, French *Assemblée nationale*, Belgian *Chambre des représentants*, Latvian *Saeima*, German *Bundesrat*, German *Bundestag*, Luxembourg

¹ COM(2014)130

Chambre des Députés, Irish *Houses of the Oireachtas*²), on the implementation of the NRP (Cyprus *Vouli ton Antiprosopon*, Romanian *Senat*) or on the Draft Budgetary Plan (DBP) (Luxembourg *Chambre des Députés*). Three Parliaments considered the issue in debates and/or in resolutions adopted in view of meetings of the European Council (Italian *Camera dei deputati*, Spanish *Cortes Generales*) or of the Council of Ministers of the EU (Croatian *Hrvatski sabor*). Some Parliaments considered the strategy's implementation through scrutinising Government's reports (Slovak *Národná rada*, Finnish *Eduskunta*), holding regular hearings with Government representatives (French *Assemblée nationale*) or addressing written parliamentary initiatives to the Government (Spanish *Cortes Generales*). Several Parliaments focused on some aspects of the strategy, through specific reports (UK *House of Lords*, French *Assemblée nationale*), debates (Croatian *Hrvatski sabor*) or through scrutinising relevant EU documents (Italian *Camera dei deputati*, French *Sénat*, Dutch *Eerste Kamer*). The responding Committees of the European Parliament considered the implementation of the Europe 2020 strategy under other procedures, in the framework of the budget (BUDG, ITRE) and the European Semester procedure (BUDG, ECON, ENVI, IMCO Committees), through structural dialogue with Commissioners, hearings and informal meetings with the European Commission (ITRE, ENVI), through own-initiative reports and relevant opinions focusing on specific targets of the strategy (ENVI, CULT, PECH, IMCO) and through scrutinising implementing measures (including delegated and implementing acts) (ITRE). The European Parliament's EMPL Committee considered the issue through drafting oral questions to the Commission and Council, accompanied by a motion for a resolution, to be adopted in November³, and the CONT Committee focused on the specific implementation actions achieved by the Commission, during previous discharge procedures. The CONT Committee insisted also that the evaluation report on the financial performance of the Union foreseen by Article 318 TFEU should mainly focus on EU internal policies for the achievement of the Europe 2020 strategy.

Concerning the different goals set in the strategy, none of the responding Parliaments/Chambers considered the implementation progress on employment targets satisfactory, with the exception of the Lithuanian *Seimas*, which noted that numerous targeted measures aimed at reducing unemployment, especially youth unemployment, had been implemented at the EU and national levels and pointed out that the effects of this process would be felt only after a certain time. Two respondents referred to the national level, mentioning significant progress in their respective employment situation (Polish *Sejm* and Hungarian *Országgyűlés*). The latter noted, nevertheless, that a performance gap was still tangible between the current data and the 2020 targets.

The Finnish *Eduskunta* identified a more efficient growth and employment policy as the most urgent priority at EU level, noting the need to improve competitiveness increasing productivity and innovation and support Small and Medium Enterprises (SMEs). The Czech *Senát* pointed out the necessity of a new growth model based on innovation, support of science and research, efficient use of limited resources and social inclusion, but, at the same time, warned against the negative consequences of possible profound mid-term changes of the goals of the Europe 2020 strategy on the implementation of long-term national measures under the European Semester.

² The Irish *Houses of the Oireachtas* clarified that, when Ireland was in a macro-economic adjustment programme (2009- 2013), it was not required formally to participate in the European Semester process, nonetheless, it did prepare a NRP based on the targets set out in the Europe 2020 strategy. The progress made in achieving the targets was reviewed annually by the Irish Houses of the *Oireachtas*.

³ The position expressed in this Chapter by the European Parliament's EMPL Committee has to be confirmed after the adoption of the oral questions and the motion for resolutions in November 2014.

The UK *House of Lords* noted that there was little reference to supply-side reforms in the Commission's Communication and underlined the need to share best practice in this area. The Greek *Vouli ton Ellinon* found particularly worrying the rise of long-term unemployment, as this could indicate the increase of structural unemployment; it emphasised the need for social prevention policies and investment in human capital and for return to employment of those outside the labour market. The Italian *Senate* deemed necessary a more effective action, through social inclusion policies and labour market flexibility measures and a systemic approach aimed at adapting economic progress to the requirements of a new European and international economic and demographic scenario. The European Parliament's EMPL Committee called on the European Council and the Member States to ensure that national and regional parliaments, social partners, public authorities and civil society were closely involved in the implementation and monitoring of policy guidance under the Europe 2020 strategy and its economic governance process, in order to ensure ownership.

Some Parliaments focused on the discrepancies among Member States and regions, pointing out the differences in quantitative indicator dynamics between Member States, and the resulting discrepancies in the regions' performance (Latvian *Saeima*). The inconsistencies due to the limited geographic mobility across the EU were also underlined (Greek *Vouli ton Ellinon*).

Several Parliaments focused on youth employment, putting forward specific proposals concerning the youth guarantee, the use of the European Social Fund and the apprenticeships in the context of the Erasmus+ programme (French *Sénat*) and welcoming the EU recommendations on traineeships and apprenticeships (UK *House of Lords*). The UK *House of Lords* also noted that it was important for local authorities to be given sufficient control over EU funds and expressed its disappointment that the UK Government had not implemented a Youth Guarantee Scheme.

With regard to research and development (R&D) targets, three Parliaments/Chambers explicitly considered their implementation insufficient (Italian *Camera dei deputati*, Italian *Senato della Repubblica*, Romanian *Camera Deputaţilor*, and the *Green Party* of the Austrian *Nationalrat* and *Bundesrat*). The French *Assemblée nationale* and *Sénat* pointed out the modest level of resources assigned to R&D in the MFF. The governing majority SPÖ (S&D) and ÖVP (EPP) of the Austrian *Nationalrat* and *Bundesrat* noted that increased flexibility would be needed to fully exploit the potential contribution of R&D to renewed growth. The Finnish *Eduskunta* and the UK *House of Lords* emphasised the need to simplify the funding application process. The UK *House of Lords* also urged greater support for companies and organisations of which the research was on the point of being commercialised, calling for research and development to be more coordinated in order to tackle energy and climate change challenges head on. At national level, the Lithuanian *Seimas* noted the insufficiency of investment into R&D in Lithuania, urging the Government to facilitate private investment.

Most responding Parliaments/Chambers and the ENVI Committee considered satisfactory the overall implementation of the climate change and energy goals. A different position was expressed by the Latvian *Saeima* which pointed out that some Member States had nearly reached their ceiling of economically justifiable measures and that it would seem reasonable to try to align future EU energy efficiency targets with each Member State's actual potential. At national level, two Parliaments/Chambers pointed out the positive implementation of the goals concerning

climate change and energy in their respective countries (Lithuanian *Seimas*, Portuguese *Assembleia da República*).

The Czech *Senát* considered the goals of the current period decisive in drawing up national policies, but did not support prospective increase in the quantitative environmental targets of the strategy for 2020. For the European Parliament's ITRE Committee, the goals regarding reduction of greenhouse emissions, renewable energy and energy saving and reduction of energy dependence should be extended after 2020 and made more ambitious.

The Italian *Camera dei deputati* and the European Parliament's ENVI Committee underlined that further efforts were needed in order to match the energy efficiency targets. The ENVI Committee urged the European Commission and Member States to integrate the resource efficiency agenda as comprehensively as possible into all other policies and to implement it at local, regional, national, and EU level.

The Finnish *Eduskunta* noted that progress could be further facilitated by completing the internal energy market, correcting the emission's trading scheme and increasing R&D funding. The Slovak *Národná rada* considered that large investments in renewable sources and energy efficiency may have negative impact on energy prices and EU economic competitiveness, stressing the need to define appropriate incentives at national and EU level in order to meet the objectives. The UK *House of Lords*, on one hand, highlighted the need to deepen cuts in greenhouse gas emissions and to develop carbon capture and storage so that the EU meets its medium and long-term reduction targets; on the other hand, it supported structural reform of the Emissions Trading System and identified the need for increased investment to make renewable energy technologies viable. The Green party of the Austrian *Nationalrat* and *Bundesrat* noted that combating climate change and exiting from nuclear and fossil-fuel energy were not given the utmost priority. The French *Sénat* considered it was necessary to bring closer German and French strategies on energy transition.

Eight Parliaments/Chambers and the European Parliament's CULT Committee expressed their position on the implementation of goals relating to education. The European Parliament's CULT Committee assessed the target on education and the flagship initiative "Youth on the move" as very positive. Some other Parliaments/Chambers explicitly considered the progress at EU level positive, but underlined that further efforts were required at national level (Italian *Camera dei deputati*, Italian *Senato della Repubblica*, Latvian *Saeima* and the European Parliament's CULT Committee). Three Parliaments/Chambers emphasised the need to pay more attention to indicators of quality rather than to quantitative indicators (Lithuanian *Seimas*, Czech *Senát*, governing majority SPÖ (S&D) and ÖVP (EPP) of the Austrian *Nationalrat* and *Bundesrat*). The Polish *Sejm* emphasised that Poland had reached recommended values of 2 indicators of the educational goals set in Europe 2020 strategy on increasing the education level. The French *Sénat* welcomed the increase of the resources assigned to the Erasmus+ programme and called for measures aimed at setting up the appropriate framework for developing massive open online courses in Europe, while respecting national competencies on education. The Slovenian *Državni svet* and the Latvian *Saeima* urged for greater attention, respectively, on vocational education and training and on linking targets with remuneration and employment levels.

All Parliaments commenting on goals relating to poverty and social exclusion underlined the need for more coordinated efforts and additional measures to achieve the EU and national targets, such as an enhanced coordination of the relevant national policies, a more flexible application of the fiscal rules and adequate financing at EU and national level (Italian *Camera dei deputati*), developing motivating social benefit policies and supporting low income groups (Latvian *Saeima*). The Greek *Vouli ton Ellinon* questioned the ability of the "main" index that had been selected for the target monitoring and its ability to capture the growing divergences among Member States, and pointed out the fact that national targets were often associated with national agendas rather than with the European goal.

Implementation of Europe 2020 at EU, national and local level

Less than half of the responding Parliaments/Chambers (5 out of 14) considered the Europe 2020 Strategy effectively implemented at EU, national and local level⁴. Two responding Committees of the European Parliament (ITRE and ENVI) considered it partially implemented, particularly underlining the rather short timeframe for evaluating its effectiveness (ITRE). The European Parliament's BUDG Committee deemed the implementation not entirely satisfactory, noting that the utmost had not been drawn from the possibilities offered by the EU Budget.

The Finnish *Eduskunta* noted that, based on official reporting, progress had been below expectations. The Italian *Camera dei deputati* pointed out that the Europe 2020 strategy had not been implemented effectively and coherently at EU, national and local level due to the absence of growth-oriented policies based on clearly defined anti-cyclical principles, the weakness of governance procedures within the framework of the European Semester, the fiscal consolidation and the lack of significant targeted resources. The Greek *Vouli ton Ellinon* noted that the strategy goals allowed monitoring progress and undertaking the transparent and fair comparison of policies among Member States. However, progress, both at European and national level, was disappointing. The European Parliament's CONT Committee, on one hand, stressed that the Commission services should better coordinate its actions, clearly prioritise, orient and adjust its programmes in function of the objectives of the strategy and evaluate and report on its main achievements; on the other hand, it pointed out that a clear weakness of the Lisbon Strategy was the use of the open method of coordination, which had only been partly remedied by the Europe 2020 strategy.

Three Parliaments/Chambers emphasised the different level of implementation in different Member States (Estonian *Riigikogu*, Latvian *Saeima*) and also the growing gap between regions inside Member States or between regions of different Member States (Romanian *Camera Deputaţilor*). Some Parliaments/Chambers noted that, at national and local level, the progress in the EU 2020 strategy implementation varied in different sectors (Lithuanian *Seimas*, governing majority SPÖ (S&D) and ÖVP (EPP) in the Austrian *Nationalrat* and *Bundesrat*). The governing majority SPÖ (S&D) and ÖVP (EPP) in the Austrian *Nationalrat* and *Bundesrat* added that, at EU level, coordination mechanisms with regard to the goals were too weak. The Polish *Sejm* noted that, although the experience in meeting targets and implementing flagship initiatives varied, setting and adopting them helped to focus on long-term issues of key importance for the future of the EU society and economy.

⁴ Hungarian *Országgyűlés*, Lithuanian *Seimas*, Czech *Senát* and *Poslanecká sněmovna*, Belgian *Chambre des représentants*

The impact of the economic and financial crisis

Several Parliaments/Chambers underlined the impact of the crisis on the achievement of the EU 2020 goals, especially in the field of employment, social exclusion and poverty (Hungarian *Országgyűlés*, governing majority SPÖ (S&D) and ÖVP (EPP) in the Austrian *Nationalrat* and *Bundesrat*, Italian *Camera dei deputati*) and, at national level, as a result of austerity measures (Cyprus *Vouli ton Antiprosopon*). The Romanian *Senat* pointed out that the consequences of fiscal consolidation had been worse than those of the crisis. The Italian *Senato della Repubblica* noted that an analysis and an assessment of the effectiveness of the economic policies of austerity adopted by Member States and the EU should be conducted. The Greek *Vouli ton Ellinon* pointed out that Europe 2020 should also be considered in relation to the short-term effects of policies. Particularly with regard to the social situation, levels of unemployment, poverty and social exclusion should be significantly reduced sooner than 2020.

Most responding Parliaments (18 out of 23, and the European Parliament's BUDG, ECON and ITRE Committees) deemed that the economic crisis together with fiscal consolidation resulted in reduced investment towards achieving the Europe 2020 targets.

Several Parliaments noted that Europe 2020 goals could not be achieved without a significant shift in the overall EU approach from austerity to growth oriented policies and measures (Italian *Camera dei deputati*, Czech *Senát*, Romanian *Camera Deputaţilor* and *Senat*). The Italian *Senato della Repubblica* called for promoting a European New Deal which, notwithstanding its compliance with current fiscal constraints, should address the current recession. The Portuguese *Assembleia da República* pointed out that the Europe 2020 strategy should be financed within the MFF, as EU funds were decisive for the recovery and the structural transformation of the economy, in accordance with the requirements of fiscal consolidation. The French *Sénat* recalled its proposal to temporarily exclude youth employment expenses co-financed by Member States from the national fiscal balance. The European Parliament's ECON Committee underlined that the European Parliament urged the European Commission to introduce Europe 2020 national objectives into the recommendations issued to Member States under Economic Adjustment Programmes and to take proper account of the constraints created by these adjustment programmes in the delivery of such objectives⁵.

Some Parliaments noted that the R&D, Employment and social targets (Slovenian *Državni svet*, Polish *Sejm*, Greek *Vouli ton Ellinon*) were the most affected by the crisis. The Slovak *Národná rada* pointed out that the targets would have to be lowered and the "flagship initiatives" updated in the areas of growth, employment and social inclusion. On the contrary, two Parliaments noted that the crisis had helped Member States to move closer to reaching climate change and energy targets, given lower production and lower energy demand (Italian *Camera dei deputati*, Greek *Vouli ton Ellinon*). This fact should not undermine the urgency for structural and not cyclical emissions' reduction (Greek *Vouli ton Ellinon*). On energy targets, the Estonian *Riigikogu* noted, however, that the economic crisis had affected the State's possibilities to invest in energy efficiency. The European Parliament's ITRE Committee noted that the reduction of budgetary

⁵ European Parliament resolution of 23 October 2013 on the European Semester for economic policy coordination: implementation of 2013 priorities - P7_TA(2013)0447; European Parliament resolution of 25 February 2014 on the European Semester for economic policy coordination: Annual Growth Survey 201 - P7_TA(2014)0128

appropriations in the MFF and the permanent budget cuts in annual budgets had significantly reduced investments towards achieving the Europe 2020 targets; it specifically mentioned the example of the telecommunications in the CEF.

The Latvian *Saeima* pointed out that the economic crisis affected the Latvian economy from the outset and, as a result, national EU 2020 targets set during the height of economic crisis at the beginning of 2010. However, since then steady economic growth had in part supported moving closer towards achieving the EU 2020 goals.

Contribution of the five headline targets, of the flagship initiatives and of related EU-level levers to boost growth and tackle unemployment

A wide majority of responding Parliaments/Chambers noted that the five headline targets set in Europe 2020 and the flagship initiatives contributed positively to boost growth and tackle unemployment (18 out of 22, the European Parliament's ENVI and ITRE Committees and the Governing majority SPÖ (S&D) and ÖVP (EPP) in the Austrian *Nationalrat* and *Bundesrat*; the Green Party considered positive the five headline targets and negligible the flagships initiatives).

Many Parliaments (16 out of 21 respondents, and the governing majority SPÖ (S&D) and ÖVP (EPP) of the Austrian *Nationalrat* and *Bundesrat* and the European Parliament's BUDG, ENVI and ITRE Committees) considered the related EU-level levers identified in the European Commission's Communication "European single market, EU budget, EU external agenda" (COM(2014)130) positive to that objective as well.

The European Parliament's CONT Committee envisaged a modulation of the objectives and indicators by country. The German *Bundesrat* was very critical in respect of the quantitative national objectives for the core objectives of the Europe 2020 strategy (particularly in the field of education), rejecting such objectives as they did not comply with the division of competences stipulated in EU Treaties. However, the German *Bundesrat* had always supported the substantive goals of the Europe 2020 strategy.

The French *Sénat* clarified that its positive answer on the targets and initiatives set in Europe 2020 strategy had to be coupled with previous positions on the insufficient budget resources to match EU's ambition, the challenge of reciprocity in trade relations at global level and the way in which the European Commission implemented the competition law and State aid rules.

With regard to the flagships initiatives, the Irish *Houses of the Oireachtas* noted that some flagship initiatives, such as Horizon 2020, had positively contributed to employment prospects in particular SMEs. The European Parliament's CONT Committee considered positive the articulation of the Europe 2020 in 7 flagships initiatives, as it pushed the European Commission to define its contribution in function of global policy objectives and not only on the basis of each separate budget line. Among the related EU-level levers, the German *Bundestag* emphasised the role of the European single market. The European Parliament's IMCO Committee expressed the need to recognise the indispensable role of the single market as a driver for growth and jobs and to strengthen single market governance by establishing, as a specific pillar of the European Semester, an annual Single market governance cycle; it also pointed out the existing barriers and restrictions

in the services sector and the lack of investment at national and EU level in the area of energy, transport and the digital single market.

PART B - Review of Europe 2020 strategy

Purpose and scope of the review

The large majority of the responding Parliaments/Chambers (27 out of 33) had neither adopted an official position yet on the upcoming Europe 2020 Strategy review in 2015, nor issued any proposals in this regard. Six Parliaments/Chambers (Finnish *Eduskunta*, Italian *Camera dei deputati*, Italian *Senato della Repubblica*, Latvian *Saeima*, Lithuanian *Seimas*, Romanian *Senat*, and the European Parliament's ENVI Committee) had taken a position on the review under different procedures. Valuable comments were also provided from the Parliaments/Chambers which had not yet formally adopted any position.

Most Parliaments/Chambers commenting on this question agreed on the need for a thorough mid-term evaluation.

Both Chambers of the Italian Parliament suggested a forward-looking approach, taking into account the new socio-economic realities that had arisen from the crisis, and the outlook for reviving growth and employment in European countries through infrastructural long-term investment policies.

Several Parliaments/Chambers, such as the Latvian *Saeima* and the Czech *Senát*, considered that the main purpose of the review of Europe 2020 strategy should be to find a more effective governance framework for the strategy, building on the European Semester. This would call for stepped up involvement of national Parliaments in the European Semester, going beyond individual national level debates.

The French *Assemblée Nationale* called for a better collective evaluation by national Parliaments, more frequent exchange of best practices, for example by means of the debate during the Inter-Parliamentary Conference under Article 13 of the Treaty on Stability, Coordination and Governance of the Economic and Monetary Union (TSCG).

The European Parliament's ECON Committee informed about its intention to prepare a report on "The review of the economic governance framework: stocktaking and challenges" where the issue of the review of the Europe 2020 strategy might be addressed, whereas the IMCO Committee might address it in its own initiative report on Single Market governance within the European Semester 2015.

When asked what areas and/or instruments should be emphasised or activated in order to ensure proper alignment between objectives and instruments needed to achieve them, Parliaments/Chambers pointed out the following:

- the Italian *Senato della Repubblica* replied that synergy and complementarity between Horizon 2020 and other EU programmes, including cohesion policy and structural funds,

were essential and noted that the Europe 2020 strategy should be more incisive and tightly focused in the 2014-2020 Structural Funds cycle;

- the Italian *Camera dei Deputati* suggested a closer linkage between Europe 2020 and cohesion policy;
- the European Parliament's EMPL committee suggested professional training and social cohesion measures;
- the Lithuanian *Seimas* indicated the scoreboard of the implementation of the CSRs by EU Member States as a useful tool;
- the Latvian *Saeima* pointed out that a uniform approach to setting individual targets for Member States should be considered;
- the European Parliament's ENVI Committee called on the European Commission to put forward a concrete proposal for measurable, clear and verifiable sectoral targets, including an overall target, in order to implement the vision and milestones of the Roadmap to a Resource Efficient Europe, and on Member States to include them in their own resource efficiency strategies.

The Latvian *Saeima* pointed out that a uniform approach to setting individual targets for Member States should be considered.

The European Parliament's EMPL Committee, the Latvian *Saeima* and the Lithuanian *Seimas* agreed that employment and social cohesion targets should be updated, along with the relevant flagship initiatives. The Lithuanian *Seimas* suggested that the initiative for substantial reduction of poverty and social exclusion should be revised in order to create a consistent and integrated social policy at the EU level, since, in its view, employment, and especially youth employment and social cohesion remain issues of utmost importance at national and EU levels. The Romanian *Senat* advised taking into account the social effects caused by Member States' budget consolidation policies and coming up with adequate indicators to ensure the efficiency of recommendations when implemented.

The Italian *Camera dei deputati* suggested that employment should be considered as an overarching priority to be pursued not only through labour market policies, but also through employment-friendly policies, aimed at generating employment opportunities. It underlined the need for updating social indicators and introducing new and targeted means to reach them, and for launching a new flagship initiative to further develop and integrate EU non-bank finance, including long-term institutional investment and direct capital markets, with a special focus on SMEs. It also suggested furthering the establishment of a true Single Market through a specific set of targets and initiatives and including in the Europe 2020 the 20% target of industry's share in Europe's GDP set out by the European Commission.

Funding of Europe 2020

When asked if there was a need to enhance the contribution of the EU Budget to the implementation of Europe 2020, the Italian *Camera dei deputati* and the European Parliament's BUDG Committee answered in the affirmative, asking for a significant increase within the framework of the mid-term review of the MFF 2014-2020. The Latvian *Saeima* considered that such enhancement would be useful from the perspective of a broader achievement of targets, especially for these countries that were hit hard by the economic crisis and therefore were unable

to fully contribute to growth-facilitating measures. The Italian *Senato della Repubblica* would welcome the start of new national and European investment programmes, focusing on measures supporting growth of businesses, on employment and on new welfare policies. The Lithuanian *Seimas* noted that the EU budget should be increased for implementing the common energy policy, a key factor to EU security. Furthermore, promoting public funding for research and development and encouraging private investment, including through favourable financing and tax incentives, was something that the Portuguese *Assembleia da República* would consider as vital in order to change the current situation.

PART C – Governance of Europe 2020

Role of the European Semester in the implementation of the revised strategy

When asked if the European Semester had so far provided an effective framework for policy implementation, most of the respondent Parliaments/Chambers (20 out of 25) answered in the affirmative, assessing it as "a useful and well-structured process" (Irish *Houses of the Oireachtas*) "with sufficient flexibility" (Estonian *Riigikogu*).

The Belgian *Chambre des Représentants* pointed out that the European Semester forced EU Member States to consider their respective NRPs and NSPs as a whole, and to integrate their budgetary processes into a coherent structure and time schedule.

The European Semester as a structured process had become an integral part of debates at the German *Bundestag*, with a general assessment that a balanced approach combining fiscal discipline and economic coordination could contribute to fostering the EMU.

The UK *House of Commons* deemed that the principle that EU Member States could learn from each other's experiences was the right approach towards promoting growth and structural reform throughout the EU.

The Cyprus *Vouli ton Antiprosopon* added, on a more critical note, that closer economic coordination and integration at the European level must be accompanied by tighter democratic controls both at national and European level.

The UK *House of Lords* noted that national Parliaments needed "more effective purchase" on the European Semester, which was an essential element of their key role in scrutinising national economic and financial policies.

The European Parliament was among those Parliaments/Chambers which considered that the European Semester had not so far provided an effective framework for policy implementation (BUDG, ECON and EMPL Committees). Not only the Member States' track record of implementing the CSR was weak, but also the EU and euro area dimension was not sufficiently taken into account, particularly with regard to spill over effects of policies to be implemented at national level. The BUDG Committee said that the resources fell short of the ambitious objectives set and lots of improvements were needed.

A wide majority of the respondent Parliaments (19 out of 22 and the European Parliament's BUDG, ECON and EMPL Committees) viewed the European Semester also as a means for further improvement of the revised Europe 2020 strategy.

The French *Sénat* considered that the Europe 2020 strategy could be improved through the European Semester by not overly focusing on the NSP, but rather on the NRP, seen as key to the success of its implementation.

The Italian *Camera dei deputati*, considering that the European Semester did not provide an effective framework for the Europe 2020 implementation up to now, suggested that the Europe 2020 goals, especially social indicators, should be emphasised and taken into account at all steps in the Semester procedure. In this regard, full implementation of the European Commission communication "Strengthening the Social Dimension of the Economic and Monetary Union" (COM (2013) 690), proposing a scoreboard of five additional social indicators to be included in Europe 2020, would constitute an important step. Coherence and coordination between budgetary and public finance objectives and growth-enhancing policies were required, especially in the CSRs. The Greek *Vouli ton Ellinon* and the Slovak *Národná rada* indicated that the implementation of the revised strategy could be improved by incorporating its targets into CSRs, thus making Europe 2020 targets more binding. It would also enhance public awareness and interest.

The European Parliament in its resolution⁶, considered that more can be done within the Semester framework, not only for democratic accountability but also for effectiveness. The EMPL committee specifically called on the European Council and the Commission to incorporate the monitoring and evaluation of the Europe 2020 employment, social and education goals more effectively into the European Semester process.

A more cautious approach was taken by the UK *House of Lords*, which issued a warning of the risk of 'overloading' the European Semester by adding further elements to it.

Both the Romanian *Camera Deputaților* and *Senat* reminded that the strategy could be achieved only if individual countries' efforts were properly coordinated between Member States, involving all relevant actors. It was pointed out that EU institutions had collectively achieved a greater say in national policy-making in this process.

The Austrian *Nationalrat* and *Bundesrat*, the Polish *Sejm* and the Romanian *Camera Deputaților* found regretful the European Semester's narrow timetable that limited opportunities of national Parliaments and the European Parliament for timely intervention. Furthermore, the French *Sénat* considered it would help if the European Parliamentary Week did not take place in January, at a time when the Commission is conducting the AGS, but rather in late March or early April, after the Council issues (March) guidelines for national policies and before Member States present (April) their NRPs and NSPs.

Several Parliaments mentioned the involvement of national Parliaments at all stages as a key precondition for the implementation of the strategy and, therefore, the achievement of its goals.

⁶ European Parliament resolution of 20 November 2012 with recommendations to the Commission on the report of the Presidents of the European Council, the European Commission, the European Central Bank and the Eurogroup "Towards a genuine Economic and Monetary Union", P7_TA(2012)0430

The Czech *Senát* reminded that national Parliaments were the bodies that adopted and implemented individual economic policy recommendations through the national legislative process. Therefore, active involvement of national Parliaments in the European Semester, the first phase of the EU's annual cycle of economic policy guidance and oversight, could contribute to the strengthening of its democratic legitimacy and enhance effectiveness.

The Lithuanian *Seimas* proposed establishing a national Parliament/Government cooperation and control structure, involving social partners, whereby national Parliaments could assume a key role in exercising results-oriented parliamentary control. It proposed establishing deeper cooperation between the European Parliament and national Parliaments, going beyond the mere exchange of views during the Parliamentary Week. The Latvian *Saeima* suggested that the Member States should hold more in-depth talks during the European Semester on strategy implementation, leading to more uniform understanding and more active involvement of Member States in addressing common issues.

The large majority of the responding Parliaments/Chambers (23 out of 26 and the European Parliament's ECON and EMPL Committees) agreed with the statement that the European Semester should be re-gearred towards growth and employment; some of these stressed that this could be attained only by preserving gains achieved in fiscal consolidation and promoting fiscal sustainability. Three Parliaments disagreed, noting that fiscal stability should remain of paramount importance (Hungarian *Országgyűlés*, Czech *Poslanecká sněmovna*, Dutch *Tweede Kamer*).

The Finnish *Eduskunta* underlined the need for a very careful balance between stronger growth and employment enhancing policies and fiscal stability. The Latvian *Saeima* noted that the long-term strengthening of the economy was not only a matter of balancing budgets, but required a sound strategic structural policy. Structural reforms and economic consolidation were generally seen by the German *Bundestag* as important factors contributing to economic growth and employment. Also, according to the latest European Parliament resolution⁷ on the European Semester, "Europe and the Member States need, beyond fiscal consolidation, structural reforms leading to real, sustainable and socially balanced growth, sustainable employment and strengthened competitiveness while more specific and urgent measures should be taken to tackle the unacceptably high levels of unemployment, in particular youth unemployment".

Many Parliaments focused on policies, within the framework of the European Semester, which enhanced growth and employment and on measures aimed at fighting poverty.

The Italian *Camera dei deputati* noted that Europe 2020 should be reviewed within the framework of a more general EU strategy aiming at achieving higher growth rates in all European countries, reducing the widening wealth disparities in the EU, and restoring competitiveness to European economies, especially with reference to productivity. Accordingly, three steps to this end were required; firstly, implementation of the plan, announced by the President of the European Commission Jean-Claude Juncker, that sought to deploy up to € 300 billion's worth of public funds over the next three years; secondly, full use of the flexibility laid down in the current rules of the SGP in order to promote investment at national level; and thirdly, specific initiatives aimed at capitalising on the specific qualities of the European system, such as its social market economy, by

⁷ European Parliament resolution of 25 February 2014 on the European Semester for economic policy coordination: Annual Growth Survey 2014 P7_TA(2014)0128

mainstreaming the social dimension into all EU policies. The French *Sénat* endorsed the institution of a fiscal capacity of the Eurozone in order to finance growth and employment measures.

The social dimension was stressed by several Parliaments/Chambers. Both the German *Bundesrat* and the Cyprus *Vouli ton Antiprosopon* welcomed the Commission's policy on strengthening the social aspects of the EMU. Furthermore, the Cyprus *Vouli ton Antiprosopon* believed that more specific proposals were needed to ensure that economic governance took into account the social dimension. The European Parliament, in its resolution⁸, called "on the Commission to bring forward, under the European Semester, a proposal to adopt a convergence code based on the Europe 2020 strategy and establishing a strong social pillar" (ECON Committee).

The UK *House of Lords* supported the introduction of social and employment indicators, urging for caution in using rigid indicators of poverty as they could exclude certain groups. The European Parliament's EMPL Committee noted that, in the newly established scoreboard, those indicators had not been made binding, unlike the Macroeconomic Imbalance Procedure (MIP) scoreboard and asked the Commission and the Member States to assess this situation in the light of the growing social and employment imbalances in the EU. Moreover, the EMPL Committee called for the scoreboard to include additional indicators, in particular child poverty levels, access to healthcare, homelessness, and a decent work index. In its view, the indicators should, after consultation with the Parliament, be reviewed on a regular basis. The French *Sénat* suggested reinforcement of the social dimension through a European unemployment insurance. The Portuguese *Assembleia da República* noted that the Budget Pact should be interpreted broadly to ensure that, barring non-compliance, Member States can be given sufficient margin to re-launch their economies.

The forthcoming review of governance structures as the set of means towards strengthening Europe 2020 strategy effectiveness

When asked if the forthcoming review of governance structures related to the so-called "Six Pack" and "Two Pack" could serve to strengthen the effectiveness of the Europe 2020 strategy, 19 out of 22 Parliaments/Chambers and the European Parliament's EMPL Committee answered positively.

The Finnish *Eduskunta* viewed European governance structures merely as a useful reporting template, without much impact on the actual performance of Member States.

The views of Parliaments/Chambers providing positive assessment varied. The Irish *Houses of Oireachtas*, the Austrian *Nationalrat and Bundesrat* and the Czech *Poslanecká sněmovna* argued the assessment depended on the outcome of the review, whereas others mentioned having high expectations regarding the implementation of this new framework.

The Portuguese *Assembleia da República* noted that the rules introduced alongside the aforementioned packages worked towards preventing the emergence of fiscal imbalances in some Member States. It however called for a more flexible interpretation of some of the forecast items, so that measures could, if needed, be introduced to reach the Strategy 2020 goals without jeopardising public accounts' long-term balance. A similar position was expressed by the Italian

⁸ European Parliament resolution of 12 December 2013 on constitutional problems of a multitier governance in the European Union, P7_TA(2013)0598)

Camera dei deputati which considered the review as an opportunity to ensure that SGP and the Macro-Economic surveillance took into account the need to promote growth, employment and social goals. To this end, more flexibility should be introduced in the application of the rules concerning public debt.

A different view was expressed by the Latvian *Saeima* which, whilst ready to begin constructive talks towards improving the economic governance framework of the Union, strongly advised against any amendments that could weaken the SGP. In its view, any watering down of existing rules would weigh down on the credibility of the Pact, as well as undermine the confidence in the financial markets. Also, the Romanian *Senat* saw implementing the "Six-Pack" and "Two-Pack" as potentially leading to sound fiscal policies and believed that the effectiveness of Europe 2020 strategy relied on such instruments.

The European Parliament's EMPL committee believed that the revenue collected from fines resulting from the collection of data for the MIP procedure should be allocated to the financing of the Member States' NRPs and their consequences as part of the European Semester cycle, with the aim of reducing economic, employment and social divergences.

The Slovak *Národná rada* believed that changes to the system of governance of EU policies were needed, so that pressure was put on Member States to align their national policies with the Europe 2020 goals.

Some respondents focused on the role of national Parliaments in the new governance framework. The Cyprus *Vouli ton Antiprosopon* saw the new requirement for national governments to report on how national Parliaments had been involved in the development of NRPs and NSPs, as a positive step forward. The Polish *Sejm* and the Romanian *Camera Deputaţilor* took a similar view, adding that increased participation of national Parliaments in the whole process granted it greater democratic legitimacy and responsibility.

CHAPTER 2: FUTURE OF THE EU - EU INSTITUTIONS AND PARLIAMENTS

The second Chapter of the Bi-annual Report, building upon previous Bi-annual Reports, parliamentary debates and contributions of several Parliaments/Chambers, examines the impact of the European integration process' developments on EU Parliaments five years after the entry into force of the Lisbon Treaty, in an effort to continue the debate during future Presidencies.

The first part of this Chapter aims at taking stock of the overall impact of new prerogatives conferred to national Parliaments by the Lisbon Treaty in relation to their role in the EU. Special focus is placed on the potential of powers not yet exercised by national Parliaments.

The second part presents how EU Parliaments have reacted, both in the context of scrutiny of their own government and of the political dialogue, to significant innovations introduced by the Lisbon Treaty, as well as to new trends in the EU policy and decision-making process.

The third part, building on the findings of the 21st Bi-annual Report and following the Conclusions of the Conference of Speakers of EU Parliaments in Vilnius (6-8 April 2014) where Speakers proposed that COSAC should explore possibilities for a more efficient use of subsidiarity checks, collects proposals by national Parliaments and the European Parliament on a further, possibly federal, development of the European integration process by ensuring more effective participation of EU Parliaments in the EU decision-making, taking into account also the operational role of COSAC.

PART A – Implementation of new powers conferred to national Parliaments by the Lisbon Treaty

Application of Treaty provisions relating to national Parliaments

The majority of responding Parliaments/Chambers (17 out of 27) believed that the provisions of the Treaties conferring powers on national Parliaments had been applied in the best possible way.

When asked which powers conferred on national Parliaments by Article 12 TEU had had the most positive impact on the good functioning of the Union, the vast majority of responding Parliaments/Chambers favoured the information provided by the EU institutions (26 out of 28), the participation in interparliamentary cooperation (26 out of 28), and the subsidiarity checks (24 out of 27). Only a few respondents referred to the cooperation in the framework of the area of freedom, security and justice (12 out of 28), the participation in the Treaty revision procedures (11 out of 28) and the notification of applications for accession to the Union (10 out of 28) as effective powers.

Concerning the information provided by EU Institutions, the Italian *Camera dei deputati* and the Austrian *Nationalrat* and *Bundesrat* stressed that this flow of information helped national Parliaments be better involved at a very early stage of the EU decision-making process. According to the Romanian *Deputaților*, national Parliaments were put on an equal footing with their Governments in terms of access to documents.

With regard to participation in interparliamentary cooperation, the Lithuanian *Seimas*, the UK *House of Lords* and the Czech *Senát* pointed out that interparliamentary cooperation helped

politicians to scrutinise effectively the most relevant EU dossiers. It enhanced national Parliaments' capacity to hold national Governments to account (UK *House of Lords*) and was an important tool for the qualitative and in-depth involvement of national Parliaments in the EU decision-making process (Portuguese *Assembleia da República*).

While welcoming the idea of further developing interparliamentary cooperation, the European Parliament's AFCD Committee stated that it did not replace normal parliamentary scrutiny exercised by the European Parliament in accordance with the competences conferred on it by the Treaties and by national Parliaments over their governments' EU-related activities.

Regarding subsidiarity checks, the Italian *Camera dei Deputati* and the Portuguese *Assembleia da República* stressed that it should not be a priority; what really mattered was the influence on the content of the EU policies and decisions. The Czech *Senát*, the UK *House of Lords*, the German *Bundestag*, the Estonian *Riigikogu*, the Dutch *Tweede Kamer* and the Italian *Senato della Repubblica* also stressed the importance of political dialogue. The Portuguese *Assembleia da República* stated that it would be useful to receive the European Commission's feedback on the assessment of the real impact of the "Barroso initiative".

Regarding the subsidiarity check procedure, Parliaments/Chambers replying made the following remarks:

- the procedure was not effective and needed improvements (Finnish *Eduskunta*);
- the subsidiarity control mechanism had been insufficiently used by other Parliaments (Committee on Constitutional Affairs of the Swedish *Riksdag*);
- subsidiarity checks enabled national Parliaments to adopt their positions on EU proposals independently, before national Governments even started their analysis (Romanian *Deputaţilor*);
- reasoned opinions from national Parliaments often raised pertinent questions about important aspects, such as the number and scope of delegated acts in legislative proposals, or the lack of a substantial justification of the conformity of proposals with the principle of subsidiarity (European Parliament's JURI Committee);
- the European Commission did not consistently comply with the obligation imposed by article 5 of Protocol no. 2 for draft legislative acts to contain "a detailed statement making it possible to appraise compliance with the principle of subsidiarity and proportionality" (UK *House of Commons* and UK *House of Lords*). The UK *House of Commons*⁹ asked the European Commission to include such a statement in its explanatory memorandum, which formed part of the draft legislative act and was translated into all official languages of the EU, and not in the annexed impact assessment;
- in general, the European Commission's responses to reasoned opinions and opinions were not deemed satisfactory, in particular because of their brevity, generality and delay in their receipt¹⁰. National Parliaments and the European Commission should work together to determine appropriate guidelines for the European Commission to respond to reasoned opinions (UK *House of Lords*);

⁹ Letter sent to the European Commission on 26th June 2014

¹⁰ UK *House of Commons* and *House of Lords*, French *Sénat*, Czech *Poslanecká sněmovna*, Irish *Houses of the Oireachtas*, Austrian *Nationalrat* and *Bundesrat*, Czech *Senát*, Cyprus *Vouli ton Antiprosopon*, Luxembourg *Chambre des Députés*

- the European Commission did not take into due account the "yellow card" on the Proposal for a Council Regulation on the establishment of the European Public Prosecutor's Office¹¹ (EPPO) (Dutch *Tweede Kamer*, Austrian *Nationalrat* and *Bundesrat*, Czech *Senát* and *Poslanecká sněmovna*). The European Commission should make an undertaking - when a "yellow card" has been issued it would either drop or substantially amend the proposal in question (UK *House of Lords*);
- national Parliaments should engage in a debate on changes to increase the effectiveness of the "yellow card" procedure, without Treaty change and with a view to codifying them at a later stage, such as allowing a longer deadline for national Parliaments to issue reasoned opinions (UK *House of Lords*);
- the threshold for triggering a "yellow card" should be lowered, even slightly (Czech *Poslanecká sněmovna*, Austrian *Nationalrat* and *Bundesrat*);

With regard to some of these remarks, the UK *House of Commons* acknowledged, nevertheless, that the European Commission had already stated that it had reviewed its internal procedures to shorten the time taken to reply; in its replies it endeavoured to cover the major points raised by national Parliaments and invited national Parliaments, which were not satisfied with a reply, to ask for further explanations; it agreed that the explanatory memorandum was the appropriate place for the statement and reviewed its working methods accordingly.

The UK *House of Commons* added that, in its report¹² on the reform of the scrutiny system, the Scrutiny Committee proposed changes which would give the UK Parliament additional powers.

Concerning cooperation in the framework of the area of freedom, security and justice, some national Parliaments replied that it was crucial and should be more effective (Greek *Vouli ton Ellinon*, Romanian *Camera Deputaţilor*, Italian *Senato della Repubblica*, Dutch *Tweede Kamer*). The Romanian *Camera Deputaţilor* stated that this "new field where European Parliament and national Parliaments gain more decision power fits the quest for legitimacy and for bringing the Union closer to its citizens".

Regarding participation in the Treaty revision procedures, the Romanian *Camera Deputaţilor* replied that it allowed national Parliaments to reflect on constitutional aspects of the EU.

However, the Finnish *Eduskunta* commented that all these tools were necessary, but not remarkable and that what really mattered was national Parliaments' real influence on European policies and, in this regard, the Treaty of Lisbon had not changed much, while the Polish *Sejm* observed that national Parliaments had limited influence on the functioning of the EU as demonstrated with regard to the "yellow card" on the EPPO proposal.

The European Parliament's AFCD Committee stated that, on the basis of five years' experience, "the instruments" or "tools" developed for implementing Protocols 1 and 2 of the Lisbon Treaties could be evaluated and improvements could be introduced thus avoiding amending the Treaties; it

¹¹ COM(2013) 534

¹² "Reforming the European Scrutiny System in the House of Commons", European Scrutiny Committee, UK House of Commons, Twenty-fourth Report of Session 2013-14:
<http://www.publications.parliament.uk/pa/cm201314/cmselect/cmeuleg/109/109.pdf>

further commented that national Parliaments could only be capable of influencing decisions of their respective Governments if they had enough information available, commending the role played by the tool IPEX.

Potential of new powers not yet exercised

Parliaments/Chambers were asked which powers among those not yet exercised had the greatest potential to enhance national Parliaments' participation in the EU decision-making process.

Nine Parliaments/Chambers replied actions before the CJEU on grounds of infringement of the principle of subsidiarity; seven respondents answered veto on bridge clauses.

With regard to actions before the CJEU, the *Estonian Riigikogu*, the Portuguese *Assembleia da República* and the Italian *Senato della Repubblica* and the European Parliament's JURI Committee added that this would allow the CJEU to clarify the scope and content of the principle of subsidiarity and would impact on the role of national Parliaments in the Union's decision-making process and on how the European Commission responded to national Parliaments (*Estonian Riigikogu*, Portuguese *Assembleia da República*).

The Hungarian *Országgyűlés*, the Finnish *Eduskunta*, the Belgian *Chambre des représentants* and the UK *House of Lords* underlined that both these measures were exceptional and therefore unlikely to become regular policy instruments, while the Italian *Camera dei deputati* questioned the effectiveness of such measures as tools to enhance national Parliaments' role.

Part B - National Parliaments and new trends in the EU policy and decision-making process

Tools and procedures regarding new trends in the EU policy and decision-making process

Eighteen Parliaments/Chambers stated that they had developed specific tools or procedures as regards the rising role of the European Council.

Many national Parliaments replied that they usually held a debate with their Governments on European Council meetings¹³.

Parliaments/Chambers referred to information provided to them by the Government in debates / meetings / statements / reports / hearings both before and after the European Council meetings, only before such meetings and only after such meetings.

In relation to information before and after the European Council meetings:

- the Dutch *Tweede Kamer* holds a debate with the Prime Minister before and after European Council meetings;

¹³ Dutch *Tweede Kamer*, Czech *Senát*, Estonian *Riigikogu*, Swedish *Riksdag*, French *Sénat*, UK *House of Lords*, Portuguese *Assembleia da República*, Polish *Sejm*, Italian *Camera dei deputati* and *Senato della Repubblica*, Belgian *Chambre des représentants*, German *Bundestag*, Hungarian *Országgyűlés*

- the Czech *Senát* organises an European Affairs Committee meeting and plenary session before and after European Council meetings to discuss the programme, the Government's position and the outcome;
- the Prime Minister briefs the European Affairs Committee of the Estonian *Riigikogu* before and after European Council meetings;
- the Portuguese *Assembleia da República* holds hearings with the Secretary of State for European Affairs before and after European Council meetings, according to relevant legislation. Furthermore, in the last change to their methodology of EU scrutiny, there was a provision to monitor and scrutinise European Council documents;
- the Minister for European Affairs informs the EU Committee of the Polish *Sejm* before and after European Council meetings;
- the Advisory Committee on European Affairs of the Belgian *Chambre des représentants* may hold a hearing with the Prime Minister before and after European Council meetings;
- the Irish *Houses of the Oireachtas* referred to Taoiseach's statements to the House before and after European Councils;
- the Croatian Prime Minister has to submit to the Croatian *Hrvatski sabor* the agenda and governments position ahead of European Council meetings and a report after them;
- in accordance with relevant legislation on the Italian participation to the EU, the Prime Minister reports in Plenary, both to the Italian *Camera dei deputati* and *Senato della Repubblica*, before European Council meetings. After the speech of the Prime Minister, a debate takes place and resolutions are usually adopted. The Government has to take into account any recommendations formulated by the Parliament. After European Council meetings, the Minister for European Affairs usually reports to the Committees on Foreign Affairs and European Policies of both Houses.

In relation to information before European Council meetings:

- concerning the Swedish *Riksdag*, according to some recent amendments to the relevant legislation, the Government consults the Committee on European Affairs before European Council meetings;
- the French *Sénat* holds public debates with the Minister for European Affairs before European Council meetings;
- the Speaker of the Hungarian *Országgyűlés* convenes an *in camera* meeting ahead of meetings of the European Council where the Prime Minister elaborates the standpoint to be represented.

In relation to information after European Council meetings, the UK *House of Lords* organises hearings with the UK Minister for Europe and it is considering whether or not to change its procedure permanently to hold such hearings also before European Council meetings (as they already did ahead of the July European Council meeting), while the European Parliament organises regularly plenary debates with the President of the European Council.

The German *Bundestag* referred generally to the obligation of the Federal Government to inform the Chamber of meetings of the European Council and provide relevant documents and to regular plenary discussions or EU Affairs Committee discussions. The Austrian *Nationalrat* and *Bundesrat* said that the EU Committee of the Austrian *Nationalrat* followed issues on the agenda of the

European Council and that it could adopt opinions by which it gave instructions to the Chancellor for the negotiations in the European Council.

The UK *House of Commons* replied that "there should be an opportunity for Members in the Chamber to air issues in advance relating to forthcoming European Council meetings, and rather than a debate, we recommend that this should be timed to coincide with a session of Oral Questions on European Union matters".

Fourteen Parliaments/Chambers stated that they had developed specific tools or procedures as regards the stipulation of intergovernmental treaties in the field of economic governance.

When asked to provide further information, Parliaments/Chambers referred to tools or procedures relating specifically to the Inter-parliamentary Conference under Article 13 of the TSCG and generally to other procedures.

Concerning tools or procedures relating to the Inter-parliamentary Conference under Article 13 of the TSCG, Parliaments/Chambers provided, among others, the following information:

- the Spanish *Cortes Generales* stated that it had appointed a permanent delegation composed of Members of both Chambers to participate;
- the Polish *Sejm* informed that it introduced rules regarding the involvement of the Committees on European Union Affairs, on Economy and on Public Finance which represent the *Sejm* in those meetings and which together tackle the issues related to the European Semester.

Concerning tools or procedures relating to other procedures, Parliaments/Chambers provided, among others, the following information:

- the Dutch *Tweede Kamer* had agreed with their Government upon an information protocol concerning the decision-making process of the EFSF and the ESM, which guaranteed the *ex ante* involvement of the Parliament;
- the Portuguese *Assembleia da República* held hearings, with the participation of the Government, on various instruments of the European Semester, particularly on the SGP; concerning intergovernmental treaties, legal provisions provided that the Government had to, according to relevant legislation, "keep the *Assembleia da República* informed, in sufficient time, about the issues and debating positions in European institutions as well as on the proposals under discussion and the on-going negotiations, sending all relevant documentation as soon as it is presented or submitted to the Council, in particular, on draft treaties or agreements concluded by the European Union or between Member States in the context of the European Union";
- the Italian *Camera dei deputati* and *Senato della Repubblica* replied that, according to relevant legislation, the Italian Government had to promptly inform the Italian Parliament "about any initiative aiming at concluding agreements among EU member States whereby fiscal rules are introduced or strengthened or that anyhow have important fiscal consequences. Parliament may issue recommendations to the Government, which the Government must comply with or – if this is not the case – explain to Parliament why it took a different course of action";

- the German *Bundestag* pointed out that the Federal Constitutional Court had confirmed that agreements under international law are also part of EU affairs, if they complemented the law of the EU or had other particularly close links with EU law. As regards economic governance, parliamentary involvement is covered by the Act on Financial Participation in the ESM
- the Austrian *Nationalrat* and *Bundesrat* replied that they set up a sub-committee dealing with matters regarding the ESM;
- the Czech *Senát* informed it introduced an internal procedure to monitor the European Semester (discussing the AGS, the Spring European Council and the preparation of NRP and NSP, scrutinising the draft CSRs and issuing an opinion before they are adopted by the Council);
- the French *Sénat* replied that the Committee on Finance was involved in the procedures linked to the application of the TSCG;
- the European Parliament's ECON Committee informed that the European Parliament was invited as observer during the negotiation on the TSCG in the EMU.

Twelve Parliaments/Chambers replied that they had developed specific tools or procedures regarding the involvement of Parliaments in trade agreement negotiations.

Several Parliaments/Chambers stated that they usually followed trade agreement negotiations¹⁴ and showed great interest for the TTIP negotiations¹⁵. The European Parliament's INTA Committee welcomed the "parliamentarisation" of trade policy at EU level, stating that it was aware of some calls for further involvement of national Parliaments in the scrutiny of draft trade agreements. It also expressed its willingness to continue the trend of bilateral meetings with parliamentarians interested in trade issues.

The *House of Lords* informed that their European Union Committee conducted an inquiry into the TTIP and published a report in May 2014.

The Dutch *Tweede Kamer* stated that it sent jointly with other Parliaments a letter to the European Commission to stress the importance of involving national Parliaments in the phase of the TTIP negotiations.

When asked about other initiatives, the UK *House of Commons* stated that the UK Government kept the House updated on the trilogue process and also if there were material changes during negotiations within the Council. The Portuguese *Assembleia da República* informed that it held hearings with the participation of the Government, on the 'State of the Union of the President of the European Commission' and a debate on the priorities of each Presidency of the Council of the EU.

¹⁴ French *Sénat*, Estonian *Riigikogu*, Irish *Houses of the Oireachtas*, Belgian *Chambre des Représentants*, German *Bundestag*

¹⁵ French *Sénat*, UK *House of Lords*, Irish *Houses of the Oireachtas*, the Croatian *Hrvatski sabor*, the Portuguese *Assembleia da República*, Luxembourg *Chambre des Députés*

Treaty provisions in relation to delegated acts (Article 290 TFEU)

Twenty out of 37 responding Parliaments/Chambers stated that they had not taken a formal position on Treaty provisions in relation to delegated acts (Article 290 TFEU).

When asked to present their views on the main critical aspects, Parliaments/Chambers pointed out the following:

- the excessive use of delegated acts (Czech *Senát*, French *Sénat*, Portuguese *Assembleia da República*, Austrian *Nationalrat* and *Bundesrat*, Italian *Senato della Repubblica*, Luxembourg *Chambre des Députés*);
- the need and impact of delegated acts should always be evaluated carefully on a case-by-case basis (Finnish *Eduskunta*);
- legislative acts should explicitly define the objectives, content and scope of the delegation of power and the latter should not be vague or too extensive (Czech *Senát*, French *Sénat*, Swedish *Riksdag*, Czech *Poslanecká sněmovna*, Polish *Sejm*, German *Bundesrat*, Austrian *Nationalrat* and *Bundesrat*, European Parliament's JURI Committee). The essential elements shall not be the subject of a delegation of powers (Czech *Senát*, French *Sénat*, Polish *Sejm*, German *Bundesrat*, Hungarian *Országgyűlés*, Italian *Senato della Repubblica*, Austrian *Nationalrat* and *Bundesrat*, the latter pointing out that the definition of "essential elements" was not clear);
- the interpretation of the concept of "duration of the delegation of powers" should not lead to delegation of power unlimited in time (Italian *Senato della Repubblica*, Polish *Sejm*, German *Bundesrat*). The Italian *Senato della Repubblica* stated that otherwise national Parliaments would be deprived of the power, conferred by the Treaty, to scrutinise any amendments to the provisions that were the object of delegation. It added that a better solution could be to limit the duration of the delegation to five years, with a tacit extension for the same period subject to presentation of a report by the European Commission;
- concerning the selection procedure for the Committee of experts assisting the European Commission in the preparation of delegated acts, the European Commission should return to the practice of experts from Member States (French *Sénat* and German *Bundesrat*) and the procedure should be clear (Austrian *Nationalrat* and *Bundesrat*);
- the EU should determine an appropriate period for objection on a case-by-case basis, that must be sufficient to enable effective control of the delegation, without unduly delaying the entry into force of uncontroversial delegated acts (European Parliament's JURI Committee). The deadline should not be shortened from three month to two months (German *Bundesrat*);
- a model of cooperation between national Parliaments and EU Institutions for the scrutiny of delegated acts should be established, even if only on an informal basis (Portuguese *Assembleia da República*);
- national Parliaments should be empowered to initiate a revocation of the delegation by the legislators (Danish *Folketing*);
- the European Commission and the Council should engage with the European Parliament in negotiations on the criteria for the appropriate application of Articles 290 and 291 TFEU, in the framework of the revision of the Interinstitutional Agreement on Better Law-making (Romanian *Camera Deputaţilor*).

The European Parliament's JURI Committee stated that the choice between the use of delegated or implementing acts had caused difficulties in many negotiations on new legislative proposals by the European Commission and proposals aligning the existing legislation with the Lisbon Treaty. The active role of national Parliaments in the fields of subsidiarity checks and the use of delegated acts provided, in its view, for the possibility of fruitful cooperation and exchanges between national Parliaments and the European Parliament.

The UK *House of Lords* added that over the last two years it had requested that the UK Government formalise the system of consultation for delegated and implementing legislation, and explicitly stated in the Explanatory Memoranda when a legislative proposal contained provisions to make delegated or implementing legislation (from May 2013 - May 2014, it was consulted on 80% of the adopted delegated legislation).

Public consultations and national Parliaments

A large majority of the responding Parliaments/Chambers (25 out of 30) supported the idea of *ad hoc* national Parliaments' public consultations and of having a dedicated section for national Parliaments' replies in the European Commission's summary report on the consultation.

Several Parliaments/Chambers further elaborated on the subject. The Finnish *Eduskunta* stated that it neither opposed nor expressly supported these ideas, but as a matter of democratic legitimacy, the European Commission should take more seriously the inputs of national Parliaments, in particular relating to consultations, which did not necessarily require institutional arrangements or further complication in formal procedures, but rather a more professional approach.

The UK *House of Lords* report on the role of national Parliaments in the EU¹⁶ recommended that the European Commission should "make clear when and how national Parliaments have influenced the development of policies", including identifying national Parliaments' contributions in their summary reports following public consultations. Furthermore, the Commission's annual report on relations with national Parliaments should be used to identify the impact of national Parliaments' engagement. The Belgian *Chambre des représentants* commented that Parliaments were not likely to have sufficient know-how to satisfactorily cope with those very specialised and technical issues. The European Parliament's AFCO Committee, while it was open to the development of wide - ranging relations between national Parliaments and the Commission, highlighted that the European Parliament should be more closely involved in the political dialogue, mainly in view of the interdependence between the decisions of the European Parliament and those of national Parliaments.

Early legislative agreements under first reading in the EU decision-making process

Seventeen out of 27 Parliaments/Chambers, as well as the European Parliament's AFCO Committee, saw early legislative agreements under first reading as positive with regard to the EU

¹⁶ "The Role of National Parliaments in the European Union", European Union Committee, House of Lords, 9th Report of Session 2013-14:

<http://www.publications.parliament.uk/pa/ld201314/ldselect/ldcom/151/151.pdf>

legislative process. When asked to further elaborate on the subject, 4 Parliaments/Chambers¹⁷ and the Green Party of the Austrian *Nationalrat* and *Bundesrat* explicitly regarded early legislative agreements under first reading as positive stating that it speeded up, simplified and/or made the legislative process more efficient. Five Parliaments/Chambers¹⁸, on the other hand, explicitly regarded it as negative, due to the lack of transparency and insufficient democratic scrutiny. The Finnish *Eduskunta* referred to the weakening of the overall democratic scrutiny of EU legislation and thus the primary role of the European Parliament as a democratic institution. For the Czech *Senát* the procedure was highly non-transparent and of dubious added value; in its view, most Member States' representatives in the Council were excluded from the negotiations, which clearly affected the possibilities of parliamentary scrutiny. It also argued that the engagement of the European Parliament lacked the merits of parliamentary decision-making stipulated in the Treaties, through which the European Parliament should contribute to the legitimacy of EU legislation; first reading agreements posed a significant threat to the legitimacy of EU legislation, as well as its quality, due to the risk of pressure from, among others, particular interests of lobbying groups.

Several Parliaments/Chambers regarded early legislative agreements under first reading as positive, but raised concerns mainly on the decreasing transparency of the EU decision-making process and, in some cases, referred to the lack of sufficient control by national Parliaments. The Polish *Sejm* associated the issue with the importance of the documents and the scope it covered. The UK *House of Lords* noted that, even though the UK Government provided information and updates to the EU Committee on the content of first reading deals, this was often taking place after the agreement had been reached. In this regard, in its report on the role of national Parliaments, it suggested that the Council should consider making a commitment that, if a draft legislative proposal was significantly altered during negotiations between the co-legislators, it would give sufficient time (no less than 12 weeks) for national Parliaments to scrutinise the amended proposal before agreement in the Council.

Half of the responding Parliaments/Chambers (18 out of 36) stated that they were informed about tripartite meetings (trilogues) between the European Parliament, the Council and the European Commission in the context of the ordinary legislative procedure. Many of them elaborated further on the procedures.

The Slovenian *Državni zbor* responded that it was sometimes informed, but not in relation to all acts discussed, while the Danish *Folketing* said it was informed on specific dossiers when presented to the European Affairs Committee. The Hungarian *Országgyűlés* was informed in a written report or was briefed by the Government representative about the outcome of trilogue meetings. The Czech *Senát* and the Belgian *Chambre des représentants* were informed upon request from the Government, while the Dutch *Eerste Kamer* stated that although it was informed on the progress of the negotiations, it did not have a clear view on the content. The Swedish *Riksdag* had extensive rights to information through the Government's obligation to inform and consult the Committee on EU Affairs ahead of all decisions in the Council, including early legislative agreements under first reading. The Latvian *Saeima* stated that national positions subject to parliamentary scrutiny usually comprised a section on the EU institutions' views, consequently, when a particular proposal was in a trilogue stage, the national position should

¹⁷ Czech *Poslanecká sněmovna*, Polish *Senat*, Belgian *Chambre des représentants*, Romanian *Camera Deputaților*

¹⁸ Finnish *Eduskunta*, Czech *Senát*, Croatian *Hrvatski sabor* Greek *Vouli ton Ellinon*, Cyprus *Vouli ton Antiprosopon*

contain some information on the results of the trilogue. The French *Assemblée nationale* commented that information provided by the Government on negotiations was relatively satisfactory. The Irish *Houses of the Oireachtas* noted that there was no formal procedure, but there was good exchange of information at official level. Both the German *Bundesrat* and *Bundestag* received the Council document on trilogue negotiations from the Federal Government, and the Federal Government's reports on the trilogue meetings.

When asked whether the increasing number of first reading agreements had an impact on the procedure of scrutiny of EU acts, only 9 out of 34 Parliaments/Chambers answered positively.

The Danish *Folketing* strengthened in 2006 its scrutiny of legislative proposals to be adopted in first reading agreements by obligating the Government to present its proposed mandate before the Government had fixed its position. The Irish *Houses of the Oireachtas* and the Belgian *Chambre des représentants* clarified that scrutiny took place at an early stage.

The Italian *Camera dei Deputati* and *Senato della Repubblica* described how their parliamentary scrutiny had been adapted, noting that under relevant legislation, the President of the Council of Ministers or the Minister for European Affairs are obliged to forward to the Chambers reports and briefing notes prepared by the Italian Permanent Representation to the EU with reference, among others, to tripartite meetings as part of the legislative procedures. Taking into account such information (as well as information and briefing provided by the Department of EU Affairs of the Chamber), the competent Committees try to conclude the scrutiny before an agreement is reached through the trilogues. The Cyprus *Vouli ton Antiprosopon* considered that first reading agreements may not have a positive impact on the procedure of scrutiny of EU acts carried out by national Parliaments, since there may not be enough time to carry out effective interparliamentary cooperation in order to influence decisions taken at EU level.

Further commenting on the questions, the Belgian *Chambre des représentants* noted that agreements under third reading were atypical and less democratic than under the first reading, as they are reached by i.e. the rapporteur who, in this setting, acted as a non-elected representative of the European Parliament.

PART C - More effective participation of EU Parliaments in the EU decision-making process and further developments in EU integration

New instruments and ideas aimed at involving national Parliaments in the EU decision-making process

Parliaments/Chambers were asked whether they favoured the idea of creating new instruments aimed at involving national Parliaments in EU decision-making without any formal Treaty changes.

Twenty-one out of 30 respondents favoured the idea.

Three of those providing further information expressly stated that they would like to enhance the use of existing mechanisms / procedures (Dutch *Tweede Kamer*, Latvian *Saeima* and Belgian *Chambre des représentants*).

Adding to this, the UK *House of Lords* and the Dutch *Tweede Kamer* supported, among others, the extension of the deadline for subsidiarity checks. The latter also expressed the opinion that certain possibilities, such as the possibility to scrutinise proportionality, to increase the political dialogue and to introduce a "green card", should be discussed with the European Commission. The Danish *Folketing*, the UK *House of Lords*, the French *Sénat* and the Italian *Senato della Repubblica* supported the suggestion of the Dutch *Tweede Kamer* to introduce a "green card" to give national Parliaments the possibility to recommend new legislation, including proposals to review or repeal existing legislation, to the European Commission. The Italian *Senato della Repubblica* suggested making good use of COSAC, in this area, and the Czech *Senát* said the "green card" could significantly contribute to national Parliaments' participation and awareness on EU issues. Three Parliaments/Chambers made reference to proposals submitted in relevant reports that they have issued. The UK *House of Lords*, referring to the report¹⁹ of its European Union Committee, supported that the "yellow card" procedure could be improved by political agreement between national Parliaments, the Council and the European Commission. The French *Assemblée nationale* mentioned its numerous and ambitious proposals including the proposal to institutionalise a permanent Assembly of national Parliaments vested with the power of co-decision on issues related to economic governance, defence and certain aspects in the field of freedom, security and justice²⁰. The French *Sénat* proposed creating a Permanent Representation of national Parliaments composed of members appointed by each Chamber/Parliament, which would meet periodically and when necessary. The Danish *Folketing* referred to its recommendations in the document of its European Affairs Committee²¹. The Romanian *Camera Deputaţilor* suggested, amongst others, setting up a list of all legislative proposals on which national Parliaments have signalled a possible problem, and enhancing democratic legitimacy and ownership by national parliamentarians of the EU. Referring to the proposals of the Danish *Folketing*, it supported strengthening the role of national Parliaments in holding their Head of State or Government accountable regarding European Council decisions, setting up a code of conduct on good interparliamentary meetings, organising meetings of clusters of Parliaments/Chambers on issues of shared interests and enhancing the bilateral ties between national Parliaments and the European Parliament.

Enhancing the cooperation between national Parliaments and the European Parliament and the political dialogue was also stressed by a few other Parliaments/Chambers. While not supporting the creation of new mechanisms, the Latvian *Saeima* advocated more efficient use of existing ones and the improvement of certain informal cooperation mechanisms through cooperation between political groups, committees and rapporteurs. Along the same lines, the Lithuanian *Seimas* made reference to better communication between the European Parliament's specialised committees and national Parliaments. The Italian *Senato della Repubblica* spoke of direct engagement between the European Parliament and national Parliaments at committee level based on Article 142 (3) of the European Parliament's Rules of Procedure, referring to appropriate forms of pre-legislative and post-legislative cooperation.

¹⁹ UK *House of Lords* report, see footnote 16

²⁰ Rapport d'information déposé par la Commission des affaires européennes sur l'approfondissement démocratique de l'Union et présenté par Mme Danielle Auroi:

<http://www.assemblee-nationale.fr/14/pdf/europe/rap-info/i1200.pdf>

²¹ Folketinget: Twenty-three recommendations to strengthen the role of national parliaments in a changing European governance, European Affairs Committee, Danish Parliament, January 2014:

http://www.eu-oplysningen.dk/upload/application/pdf/2d81b9f4/Twenty_three_recommendations.pdf%3Fdownload%3D1

The AFCO Committee of the European Parliament believed that the Treaty provisions on the early warning mechanism in Protocol 2 of the Lisbon Treaty were clear and that their purpose was not to block the decision-making process, but to improve the quality of EU legislation by ensuring, in particular, that the EU operated within its competencies. In this context, it added that all new instruments should be viewed and used as one of the tools for ensuring effective cooperation between European and national Institutions and that their use did not require formal Treaty changes²².

The Dutch *Eerste Kamer*, the Irish *Oireachtas* and the AFCO Committee of the European Parliament were open to discuss further instruments, whereas the Finnish *Eduskunta*, being neither in favour of nor against creating new instruments, expressed the view that every national Parliament has, in the context of its national constitutional arrangements, the means to maximise its role in EU policy formulation.

The vast majority of Parliaments/Chambers (26 out of 31) replying supported that ideas, such as the ones proposed by some Parliaments (see paragraphs above) should be taken into consideration by COSAC in order to foster further interparliamentary cooperation.

A number of Parliaments/Chambers supported various ideas in this regard. The most recurring ones were related to a possible "green card" procedure, an enhanced political dialogue, the scrutiny/examination of draft trade agreements and to issues regarding the "yellow card" procedure.

Regarding a possible "green card", the Polish *Sejm* stated that introducing such a procedure seemed to be in line with the idea of increasing the participation of national Parliaments in the EU decision-making process, but that, however, its implementation did not depend on COSAC and would require expression of good will by the European Commission.

Regarding the "yellow card" procedure²³, some Parliaments/Chambers proposed taking into consideration and discussing ideas such as improving the "yellow card" (Dutch *Tweede Kamer*, French *Sénat*, Portuguese *Assembleia da República*), jointly evaluating the European Commission's reply in the cases where a "yellow card" is issued (Slovenian *Državni zbor*), making subsidiarity checks more efficient in an early stage throughout the end of the decision-making process (Hungarian *Országgyűlés*), revising and extending the deadline for subsidiarity checks (Czech *Senát*, Estonian *Riigikogu*, UK *House of Lords*, Croatian *Hrvatski sabor*).

Other notable proposals included discussion about, amongst others, establishing a working group of the European Commission to set up an action plan to strengthen the role of national Parliaments (Dutch *Tweede Kamer*), closer informal cooperation amongst national Parliaments (Polish *Senat*) and whether *ad hoc* working groups could be established under the auspices of COSAC to discuss and debate specific policy matters with a view to presenting discussion papers to COSAC Plenary, or to take forward agreed conclusions (UK *House of Lords*).

²² European Parliament resolution of 16 April 2014 on relations between the European Parliament and the national parliaments, P7_TA(2014)0430

²³ See also Part A of Chapter 2 above.

According to the German *Bundestag*, besides bilateral exchanges of experience, the political dialogue within COSAC was considered to be useful. The German *Bundestag* specified that, regarding the Dutch and other proposals in this area, it had no formal position.

On a different note, the Finnish *Eduskunta* stated that all the proposals mentioned may prove useful as *ad hoc* measures, but that it saw no need to institutionalise these, as there was nothing stopping national Parliaments from working together on any topical subject. The Belgian *Chambre des représentants* stressed that the existing procedures should be optimised, that there was no need to formalise the "green card" procedure as national Parliaments' proactive approach already corresponded to such a procedure and that national Parliaments already actively participated in policy-setting through the Laeken Declaration.

The Spanish *Cortes Generales* stated that it would eventually accept that the proposals suggested be taken into consideration provided the Presidency accepted this and as long as this decision did not interfere with the agenda of COSAC agreed by the Troika.

The AFCO Committee, replying negatively, mentioned Article 9 of Title II of Protocol 1 of the Lisbon Treaty supported the development of an 'understanding' between national Parliaments and the European Parliament as basis for efficient cooperation, underlining that COSAC should remain the forum for regular exchange of views, information and best practices in relation to practical aspects of parliamentary scrutiny.

More efficient use of subsidiarity checks

In paragraph 22 of the Conclusions of the Conference of Speakers of EU Parliaments in Vilnius, 6-8 April 2014, the Speakers propose that COSAC should explore the possibilities for more efficient use of subsidiarity checks, and that the next Conference of Speakers could consider any such work undertaken by COSAC. In this light, Parliaments/Chambers were asked to present their proposals in the framework of the existing treaties to make more efficient use of subsidiarity checks.

Various ideas were presented regarding Parliaments/Chambers' cooperation as well as the procedures of subsidiarity checks. A number of Parliaments/Chambers underlined the importance of reinforcing cooperation among Parliaments/Chambers when scrutinising legislative proposals (Lithuanian *Seimas*, French *Sénat*, Estonian *Riigikogu*, Danish *Folketing*, Latvian *Saeima*). The Danish *Folketing* suggested that national Parliaments should exchange views and experiences with regard to their assessment of the subsidiarity principle, taking into account the views expressed by the European Commission and other European institutions. It further proposed that they could exchange a list of prioritised proposals selected from the Commission work programme (CWP) before 31st January. The Latvian *Saeima* referred to better cooperation and coordination to improve the quality and the outcome of subsidiarity checks, for example through the creation of a permanent working group within the framework of the COSAC meetings dealing with subsidiarity assessments. The governing majority SPÖ (S&D) and ÖVP (EPP) of the Austrian *Nationalrat* and *Bundesrat*, noting the short deadline for subsidiarity checks, stressed the importance of early information on the findings of other Parliaments/Chambers underlining that the weekly meetings of national Parliaments' permanent representatives in Brussels could be a suitable forum of exchange of information.

In relation to better exchange of information, the role of IPEX was noted. According to the Swedish *Riksdag*, measures are needed so that the database can offer better support to subsidiarity checks. Along the same lines, the Italian *Camera dei deputati* stated that the potential of the IPEX website should be fully exploited to this effect.

In relation to the procedure, a number of Parliaments/Chambers referred expressly to the possibility of extending or improving the eight-week deadline (Dutch *Tweede Kamer*, Finnish *Eduskunta*, Czech *Senát*, Swedish *Riksdag*, UK *House of Lords*, Portuguese *Assembleia da República*). The Swedish *Riksdag* stated that "the Committee on the Constitution has drawn the conclusion that the subsidiarity control mechanism is ineffective in its current form. An important aspect is the excessively short time frame available for carrying out the control. The Committee considers that an extension should be considered."

Furthermore, the possibility of developing common guidelines and criteria governing the application of the principle of subsidiarity was proposed (Latvian *Saeima*, Romanian *Camera Deputaţilor*).

The Dutch *Eerste Kamer* referred to its letter addressed to the European Commission of 3rd June 2014 asking the Commission whether the experience of the issuing of two "yellow cards" justify further clarification or review of the Commission's "Practical arrangements for the operation of the subsidiarity control mechanism under Protocol no. 2 of the Treaty of Lisbon of 1st December 2009.

The UK *House of Lords*, citing its report²⁴, acknowledged that the key elements of the procedure were set out in the Treaties and could only be changed formally through a revision to the Treaties; however, it supported the idea of Member States acting together in the Council, in cooperation with the European Commission, to agree a package of improvements and an inter-institutional agreement on the scope, the deadline, the Commission engagement, the effect, the threshold and the timing. It further supported COSAC discussing these six issues.

The Luxembourg *Chambre des Députés* argued that it was essential to have more rapid and more individualised responses by the European Commission to the arguments presented by national Parliaments.

What is more, the Polish *Sejm* suggested that COSAC should establish a good relationship with the new European Commission, as well as discuss and agree on the manner of treating national Parliaments' opinions, in particular reasoned opinions, especially in the case of a "yellow card".

On a different note, the Italian *Camera dei Deputati* noted that the current procedures and practices were in principle adequate, therefore there was no need to propose new arrangements. According to it, "COSAC (or its secretariat) should not be conferred any power to 'coordinate' the monitoring of subsidiarity by national Parliaments, in order to make it easier to reach the thresholds set for the early warning mechanism. This would be in contradiction with the conferral of the relevant responsibilities to the individual parliaments, which exercise them in accordance with their own procedures and powers. The Lisbon Treaty, moreover, gives no specific powers to

²⁴ UK *House of Lords* report, see footnote 16

COSAC over subsidiarity, having eliminated all previously existing references". Along the same line, the AFCO Committee of the European Parliament argued that the control of subsidiarity was not a collective exercise, but an individual one of every Parliament/Chamber, that concerned specialised committees of national Parliaments and not only European Affairs committees; in its view, this did not impede COSAC from examining in detail the problems that national Parliaments' met in exercising the prerogatives conferred to them by the Lisbon Treaty.

Positions on a potential further development of the European integration process, on sovereignty issues and on possible federal perspectives

In response to the question whether Parliaments/Chambers had taken a position on a potential further development of the European integration process, the majority (23 out of 35) replied negatively.

Five Parliaments/Chambers referred to specific reports issued:

- the Dutch *Tweede Kamer* referred to its report entitled "Ahead of Europe: On the role of the Dutch House of Representatives and national parliaments in the European Union"²⁵ with three topics relating to the "yellow card", the "green card" and cooperation;
- the Finnish *Eduskunta* mentioned its report on the Government's White Paper on EU policy which provides the Eduskunta's overall views on the future of EU integration;
- the French *Sénat* cited its report on the perspectives of the EU²⁶ which includes twenty-four proposals on the future of Europe grouped in five chapters regarding rethinking European governance by organising a Europe of different concentric circles and differentiated rhythms maintaining the objective of overall consistency, reinforcing Europe's economic capacity, reforming the institutions, reinforcing the *acquis* et better communicating on Europe, and encouraging a better identification of Europe by citizens;
- the French *Assemblée nationale* referred to the report by the Chairwoman of the Committee on European Affairs on the democratic deepening of the Union where proposals were made for reaffirming the democratic anchorage of the EU²⁷. In addition, it cited its resolution regarding the rapid shaping of the Inter-parliamentary Conference under Article 13 of the TSCG;
- the AFCO Committee of the European Parliament referred to the adoption of several reports²⁸ in the framework of which the need to make use of the full potential of the Lisbon Treaty was reiterated; the reports contained suggestions for different modifications of the Treaties, among others, the completion of a genuine and democratic EMU and the establishment of a Union of citizens and states.

²⁵ http://www.tweedekamer.nl/images/Ahead_in_Europe_181-238660.pdf

²⁶ Rapport d'information au nom de la commission des affaires européennes sur les perspectives de l'Union européenne par M. Pierre Bernard-Reymond:

<http://www.senat.fr/rap/r13-407/r13-4071.pdf>

²⁷ Mme Auroi, French *Assemblée nationale* report, see footnote 20

²⁸ See European Parliament resolutions on Multi-tier economic Governance, P7_TA(2013)0598, Relations with the European Council, P7_TA(2013)0599, with European Commission, P7_TA(2014)0249, and with National Parliaments, P7_TA(2014)0430

A few other Parliaments/Chambers expressed an opinion on this. The Portuguese *Assembleia da República* stated that it had no reservation about starting a debate that could deepen the European integration process, which would be comprehensive, include national Parliaments and would take into consideration the general principles governing the foundation of the EU. The Italian *Camera dei deputati* said that it "stated in several resolutions the need to further develop the political integration process with a federal perspective. This is considered as a precondition to give the Union the capacity to respond adequately to global dynamics and prevent the national interests of Member States from prevailing over the common interest. Only a Union with an economic government, an independent fiscal capacity, a real foreign policy, a coordinated taxation policy and effective common policies in other key sectors can meet the expectations of European citizens and to play an effective role at the global level." The Italian *Senato della Repubblica* stated that "the general pro-European integration attitude of the Senate has always been present in the deliberations adopted". It further stated that a general approval had been granted by the main political groups supporting the Government on the need for a major sharing of sovereignty in Europe to tackle the growing concerns about the crisis and to overcome its negative effects in a more efficient way.

Although it stated that no formal position had yet been taken on the potential further development of the European integration process, the Hungarian *Országgyűlés* explained that its Committee on European Affairs and Committee on Foreign Affairs debated on a regular basis the Government's annual report related to Hungary's membership of the EU, as well as the situation of European integration. Similar issues were often, it added, on the agenda of the EU Consultative Body.

In response to the question on the fields in which further sharing of sovereignty or, conversely, re-nationalisation of competences would be required, seven Parliaments/Chambers of 23 responding stated that they had had no official position on or had not debated this issue.

Four of them are likely to express views and/or adopt a position on this issue.

Some notable remarks of those expressing a view included the following:

- the Dutch *Tweede Kamer* had drawn a list of actions on policies that the Netherlands would prefer to be taken up only at national level, in accordance with the principle of subsidiarity, and on legislation that, in its view, had been designed or threatened to be designed in a way that would go beyond what was needed to attain its objectives – based on the principle of proportionality;
- the Finnish *Eduskunta* had emphasised that any further integration should respect the principle of subsidiarity and involve all Member States whenever possible. It referred to, amongst others, the importance of citizens' support to further integration, stressing that "it is obvious that some integration proposals that were tabled under cover of the economic crisis went further than member states and citizens were willing to accept (e.g. European Finance Minister, debt redemption fund, common fiscal policy). On the other hand, recent developments concerning the internal market and digital commerce are examples of integration that is supported by all member states;

- the Committee on European Affairs of the French *Sénat*, in its report, estimated that the sharing of competences did not have to be rigid. It referred to the necessity of a precise evaluation of what the EU was doing and of the added-value of EU law;
- the Swedish *Riksdag*, although it had not made any statements in relation to this issue, referred to a statement of its Committee on the Constitution regarding the impact of subsidiarity checks and the division of competences between the EU and Member States and pointed to the importance of monitoring how the long-term development of EU law affected the division of competence;
- the Portuguese *Assembleia da República* considered that any debate in this area would necessarily be made as part of the Treaties and, consequently, with the participation of national Parliaments;
- the French *Assemblée nationale*²⁹ cited the establishment of Eurobonds, the endowment of the Eurozone with the fiscal capacity for compensating asymmetric shocks, a better consideration of European public goods, a more efficient fight against fiscal, social and environmental dumping and the establishment of real European public services;
- according to the Latvian *Saeima*, further sharing of sovereignty would be desirable in all areas potentially involving cross-border elements. In other areas, such as environmental protection, a certain re-nationalisation would be preferable in order to allow Member States with higher level of protection to maintain their national standards;
- the Italian *Camera dei Deputati* stressed that a further sharing of sovereignty was urgently required in the fields of economic and financial governance, taxation (included direct taxation), immigration, foreign and security policy;
- according to the Italian *Senato della Repubblica*, further sharing of sovereignty should be considered in the field of the EMU, with a special focus on growth, competitiveness and innovation, and in the field of Single Market, the cornerstone of European integration;
- the Greek *Vouli ton Ellinon* estimated that the level of sharing sovereignty was quite satisfactory;
- the AFCO Committee called for a genuine EMU enhancing the Union's competences, in particular in the field of economic policy, and strengthening its budgetary capacity and the role and democratic accountability of the Commission and the prerogatives of the European Parliament. It added that a better and clearer division of competences and resources between the EU and the Member States must go hand in hand with a stronger parliamentary ownership and accountability with regard to national competences.

More than half of Parliaments/ Chambers of those responding expressly stated that they had had no official position or had not debated the issue as to which institutional changes would be required.

In relation to institutional changes that would be required:

- the Committee on European affairs of the Lithuanian *Seimas* was of the opinion that the European Parliament should become a genuine European legislator with the right of legislative initiative and the right to appoint the President of the European Commission. It also stressed that it was vital to look for possibilities to make the meetings of the Council of the EU, including those of the European Council, widely open to the general public;

²⁹ Mme Auroi, French *Assemblée nationale* report, see footnote 20

- the Committee on EU affairs of the French *Sénat*³⁰ proposed the election of the President of the Council by all national parliamentarians and members of the European Parliament the abolition of the six-month Presidency of the EU, the election of members of the European Parliament according to a uniform electoral procedure, the increase of the European Parliament's powers conferring to it, amongst others, the right of initiative, hierarchising the European Commission according to the importance of the responsibilities of its Commissioners, reinforcing the organisation of the Eurozone, democratising the Eurozone by systematically associating national parliamentarians, and abolishing the rule of unanimity at the Council of the EU;
- in her relevant report³¹, the Chairwoman of the Committee on European Affairs of the French *Assemblée nationale* proposed major institutional innovations, such as the creation of an Assembly of European people, an electoral procedure of the European Parliament closer to democratic standards and to the principle "one person one voice", a tightening of the workforce of the European Commission abandoning the representation of all Member States. Lastly, and a clarification of the representation of the EU by merging the posts of the President of the European Commission, the President of the European Council and the President of the Councils of the Eurozone;
- the AFCO Committee considered that a future Treaty change should affirm the Eurosummit as an informal configuration of the European Council and called for the Commissioner for Economic and Financial Affairs to be a Treasury Minister and a permanent Vice-President of the Commission;
- the Romanian *Camera Deputaţilor* suggested that national Governments or other relevant authorities should be urged to include the opinion of the national Parliament, in the country's position / mandate for the Council of the EU and European Council negotiations;
- the governing majority SPÖ (S&D) and ÖVP (EPP) of the Austrian *Nationalrat* and *Bundesrat* suggested that a future convention should give special attention to increasing democratic legitimacy and accountability of the EU's institutions and to strengthening the role of the European Parliament, direct citizens' participation as well as the involvement of national Parliaments in EU matters. The Green party noted that the European Parliament should receive the right for legislative proposals, the Council should become a "Länderkammer" and members of the European Parliament should be voted through "real" European voting lists;
- the Romanian *Senat* underlined that the future of the EU could not depend on a person and that deeper legitimacy and the idea of general elections should be taken into consideration.

Out of 23 respondents, more than half replied explicitly that they had no official position or that they had not considered a possible federal perspective of the EU or of the Euro area. Of these the Slovak *Národná rada* said it had not concluded a document relevant to a possible federal perspective of the EU, whereas the Belgian *Chambre des représentants* stated that it had, up to that moment, always actively supported a realistic and federal EU respectful of the subsidiarity principle. The Romanian *Camera Deputaţilor* said that, although an explicit position had not been adopted, a federal perspective was implicitly mentioned in its opinions and positions. The Italian *Senato della Repubblica* replied it did not have an official position in a structured way, but that, in

³⁰ French *Sénat* report, see footnote 26

³¹ Mme Auroi, French *Assemblée nationale* report, see footnote 20

some debates, that prospect was mentioned by strong pro-European senators. The Romanian *Senat* said that, although it did not have a formal position, there was an internal opinion supported by many members according to which a deepening process meant a federal option. The Dutch *Tweede Kamer* stated that various political parties had various views on that issue. For the AFCO Committee, any future Treaty change should affirm differentiated integration as a tool for achieving further integration while safeguarding the unity of the Union.

In relation to the question as to how democratic legitimacy should be ensured in case of further sharing of sovereignty considering in particular the role of the European Parliament and national Parliaments, Parliaments/Chambers expressed various ideas, a couple of them referring to their reports (UK *House of Commons*³² and Danish *Folketing*³³).

The views expressed included, among others, the following:

- the key to democratic legitimacy in the EU is the accountability of national governments to their respective national parliaments. The governments should regularly inform the parliaments on their work in the Council and, in particular, in the European Council whose procedures should be more democratic, transparent, coherent and predictable. The same applies to the Euro group summits (Finnish *Eduskunta*);
- the European Parliament should become a genuine European legislator with the right of legislative initiative and the right to appoint the President of the European Commission (Lithuanian *Seimas*);
- democratic legitimacy and accountability should be ensured through democratic equality, representative democracy and participatory democracy (Slovak *Národná rada*);
- the Conference (i.e. the Inter-parliamentary Conference under Article 13 of the TSCG) has to be restricted to parliamentarians of countries in the Eurozone. National Parliaments have to be integrated also via a permanent parliamentary representation composed of members appointed by each Chamber/Parliament (French *Sénat*);
- the cooperation between Parliaments, the European Parliament and the national Parliaments, should be better defined (Estonian *Riigikogu*);
- "National parliaments must have more effective purchase on the steps towards enhanced economic surveillance, encapsulated in the European Semester". Although interparliamentary cooperation between national Parliaments and the European Parliament via the Inter-Parliamentary Conference under Article 13 of the TSCG and the European Parliamentary Week was very valuable, the UK *House of Lords* said, "means must be found to ensure that EU institutions are accountable not only to the European Parliament but also to national Parliaments". "The democratic foundations of the EU could be undermined" "unless steps are taken to strengthen national parliaments' role in oversight" of further integration³⁴;
- national Parliaments should keep playing central role in ensuring democratic representation in a more integrated EU. Strengthened democratic legitimacy implies a closer cooperation between the European Parliament and national Parliaments, especially when it comes to issue of having an impact on national budgets (Latvian *Saeima*);

³² UK *House of Commons* report, see footnote 12

³³ Danish *Folketing* report, see footnote 21

³⁴ UK *House of Lords* report, see footnote 16

- the legislative and policy setting role of the European Parliament should be strengthened and extended to all EU policies. National Parliaments should make a more systematic and effective use of the general scrutiny and of the political dialogue. The existing fora and tools of interparliamentary cooperation should be enhanced in order to improve the exchange of information, views and best practices. New or existing interparliamentary fora or bodies should not be conferred the competence to express 'collective' positions of national Parliaments (Italian *Camera dei deputati*);
- both the European Parliament and national Parliaments should contribute to democratic legitimacy in their relevant areas of competence (German *Bundestag*);
- a stronger role for EU Parliaments should be granted by a more structured development of interparliamentary cooperation stipulated in Article 12(f) TEU and Article 9 of Protocol no. 1. Further extension of the powers of co-decision should be granted to the European Parliament, while as regards national Parliaments the possibility of adopting specific provisions on their obligation to scrutinise their respective Government activities in the Council should be explored (Italian *Senato della Repubblica*);
- proper legitimacy and accountability must be ensured at national and EU levels by national Parliaments and the European Parliament respectively; in order to achieve this, it is important to intensify the cooperation with national Parliaments (AFCO Committee);
- Parliaments would keep an important role if they succeeded in regaining the confidence of the citizens (Romanian *Senat*).

CHAPTER 3: THE MEDITERRANEAN AND THE ROLE OF EU PARLIAMENTS

EU relations with Mediterranean partners have evolved over the past few years as a result of the establishment of the Union for the Mediterranean in July 2008, the boost given to the Neighbourhood Policy following the Arab Spring, and the adoption in March 2011 of the Joint Communication of the European Commission "Partnership for democracy and shared prosperity with the Southern Mediterranean"³⁵, as well as the development of initiatives aimed at addressing the dramatically increasing migration flows from southern shore countries, including the establishment of the Task Force Mediterranean.

The third Chapter of the Bi-annual Report focuses on the cooperation between EU and South-East Mediterranean countries. It highlights Parliaments/Chambers' views on EU actions to address growing migration flows and presents Parliaments/Chambers' evaluation of the UfM.

This Chapter of the Report is divided into three parts.

The first part focuses on Neighbourhood Policy issues, starting from the Joint Communication of the European Commission "Neighbourhood at the crossroads"³⁶, and aims at collecting EU Parliaments' positions as regards the implementation of the 2012 roadmap³⁷.

The second part deals with the UfM and explores the ways in which EU Parliaments have participated in the relaunch of the UfM, in relation also to the PA UfM.

The third part focuses on parliamentary scrutiny of EU actions to address growing migration flows and the deadly accidents at sea, presenting EU Parliaments' positions on which actions relating to migration management should be a priority and which economic (and non-economic) instruments should be used.

PART A - Neighbourhood Policy

The majority of responding Parliaments/Chambers (26 out of 37) reported they had not expressed a position on the European Commission's document "Partnership for democracy and shared prosperity" adopted in March 2011 to adjust the Neighbourhood Policy towards the South-East Mediterranean countries, taking into account the developments related to the Arab Spring. In the same way, the majority of Parliaments/Chambers (30 out of 35) reported that they had not expressed a position on the roadmap established in 2012 to implement the new Partnership. Likewise, the majority of responding Parliaments/Chambers (31 out of 38) reported they had not expressed a position on the Joint Communication "Neighbourhood at the crossroads" (JOIN (2014) 12) of March 2014.

Twelve Parliaments/Chambers gave an assessment of the new neighbourhood model with respect to Mediterranean partner countries, while eight of them expressed more detailed views/positions.

³⁵ COM(2011) 200

³⁶ JOIN (2014) 12

³⁷ Joint staff working document "Partnership for Democracy and Shared Prosperity: Report on activities in 2011 and Roadmap for future action" (SWD (2012) 121) accompanying the document Joint Communication Delivering on a New European Neighbourhood Policy, (JOIN (2012) 14

Parliaments/Chambers, more specifically, gave the following information:

- the Italian *Senato della Repubblica* stated that assessment of the new model of neighbourhood policy is, on the whole, positive, although it stressed that equal attention should be given to political issues and the structural weakness of the economy in the countries of the Southern shore of the Mediterranean;
- the Italian *Camera dei deputati* and the French *Sénat* highlighted in particular that EU funds allocated to the Neighbourhood Policy should be addressed to the extent of at least 2/3 to the Euro-Mediterranean Partnership;
- the UK *House of Lords* EU Committee expressed its concern that no further progress would be made until the wider revision of the neighbourhood policy took place. The Committee also stated that democracy and human rights, which had been neglected in the past, should be at the heart of the UK and EU approaches. Furthermore, the Committee welcomed the focus on democratic institutions, including the fight against corruption and illicit financial outflows. Finally, it suggested that there should be greater emphasis on environmental issues;
- the UK *House of Commons* EU committee reported that the very mixed picture was painted more broadly in the Joint Communication and the documents on the regional dimensions. Though the Joint Communication, according to it, was essentially narrative, and only prescriptive in the short-term, its title hinted at the broader, strategic question that arose from the latest developments;
- the Swedish *Riksdag* was of the opinion that the EU's support to the political reforms in the region up until 2010 seems to have had only limited effects and the EU could therefore learn from past experience and direct its efforts more towards supporting democratic development;
- the Estonian *Riigikogu* supported strengthening border surveillance activities in the Mediterranean region; proposed operations under the aegis of FRONTEX and underlined the importance of the cooperation between origin and transit countries; it added that "the management of migration flows in the Mediterranean region is a problem that has to be dealt by all the Member States. However, Estonia believes that solidarity cannot by its nature be mandatory. That is why Estonia is of the opinion that relocation should remain optional for member states" and that "Estonia does not support the creation of additional legal channels for access to the European Union. Problems should be solved in third countries by regional protection programs while ensuring effective protection of asylum seekers";
- the Romanian *Senat* explicitly referred to the interparliamentary cooperation in the CFSP/CSDP field, while expressing its concerns regarding the tensions at the southern border of the Mediterranean Sea and acknowledging that the EU needed to be prepared to face new challenges.

PART B - Union for the Mediterranean (UfM) and Parliamentary Assembly of the Union for the Mediterranean (PA UfM)

In response to the question whether Parliaments/Chambers were informed by the Government about ministerial conferences organised in the framework of the UfM, more than half (22 out of 37) replied positively (8 Parliaments/Chambers regularly and 14 occasionally).

Further information was provided by certain Parliaments/Chambers. Among those, the Polish *Sejm* reported that the Polish government sent written summaries of ministerial conferences organised as part of the UfM to the attention of either the Chair of the EU Affairs Committee or the Office for International Affairs of the Polish *Sejm*, while the German *Bundestag* stated that it was informed upon request.

Sixteen out of 37 Parliaments/Chambers reported that they participated in all meetings of the PA UfM (plenary and committee meetings) with their own delegates, while 17 reported they attended some of the meetings.

From those Parliaments/Chambers of which the delegates did participate, the vast majority (29 out of 33) reported on the outcome of the PA UfM meetings. Twenty-one Parliaments/Chambers always reported on the outcome of the PA UfM meetings, while 8 Parliaments/Chambers reported occasionally.

According to the information provided, the vast majority of the reporting was in written report format. The Romanian *Camera Deputaţilor* and the Spanish *Cortes Generales* informed that they published these reports on a webpage.

Four Parliaments/Chambers³⁸ prepared an official report only once per year; the Czech *Senát* delegates presented a report only once every two years in the plenary session of the Senate.

According to the findings, it seems to be common practice that delegates prepared reports available to all Members of Parliaments. However, the French *Sénat*, the Portuguese *Assembleia da República*, the Lithuanian *Seimas*, the Polish *Sejm* and the Italian *Senato della Repubblica* distributed reports only to the relevant departments and units of their Parliaments/Chambers. The Hungarian *Országgyűlés* staff prepared official reports regularly sent not just to the relevant departments and units of the Parliament, but also to the Ministry of Foreign Affairs and Trade and to other ministries as well, if deemed relevant.

PART C - Addressing growing migration flows

More than half of responding Parliaments/Chambers (19 out of 36) reported they had issued an opinion on possible EU action to tackle increasing migration flows in the Mediterranean area.

Six of those parliaments expressed their opinion while examining the Commission Communication on Migration³⁹. The vast majority (12 out of 17) Parliaments/Chambers had expressed their opinion during government hearings before or after European Council or Justice and Home Affairs Council meetings (JHA). Only 2 Parliaments/Chambers stated that their opinion was expressed while examining the European Parliament resolution of 23 October 2013 on migratory flows in the

³⁸ Slovenian *Državni zbor*, Belgian *Sénat*, Swedish *Riksdag* and French *Sénat*

³⁹ COM (2011) 248

Mediterranean, with particular attention to the tragic events off Lampedusa⁴⁰ and 4 had examined the Commission Communication on the work of the Task Force Mediterranean⁴¹.

Eight Parliaments/Chambers mentioned other frameworks, where they had expressed their opinion on the issue in question. Among those, the Lithuanian *Seimas* considered those questions in the European Affairs Committee and the Foreign Affairs Committee meetings, where discussions on the Eastern Partnership and the Communication "An open and secure Europe: making it happen (COM (2014) 154) were held. The French *Sénat* had expressed its opinion while examining the proposal for Regulation of the European Parliament and the Council amending Regulation (EC) No 562/2006 in order to provide for common rules on the temporary reintroduction of border control at internal borders in exceptional circumstances. The Portuguese *Assembleia da Republica* expressed its opinion on immigration adding a reference to the "Statement of the COSAC Chairpersons of the Parliaments of the South" (Rome, July 17, 2014), highlighting humanitarian dimension and the need for protection of lives at risk.

A number of responding Parliaments/Chambers gave more specific information on their opinions or guidelines on possible EU action to tackle increasing migration flows in the Mediterranean area. The UK *House of Commons* referred to its opinion on the Communication on Migration, emphasising the document's attempt to set out a broader, longer-term policy framework encompassing internal measures for strengthening the EU's external borders, preventing irregular immigration and managing legal migration more effectively, as well as external policy measures to address the root causes of migration. The Czech *Senát* mentioned that the character of involvement of Member States into the internal relocation of migrants must remain voluntary, as it involved a costly procedure, both in administrative and financial terms. The French *Sénat* referred to its resolution and report of the EU Affairs Committee, emphasising the need to make the "Union of the Mediterranean" an instrument of a Euro- Mediterranean policy responsible of migratory flows, through concrete projects. Furthermore, the Greek *Vouli ton Ellinon* stated that the subject was often discussed within the Committee on European Affairs and had also been a priority of the Hellenic Parliament, mentioning two related meetings organised in the framework of the parliamentary dimension of the Hellenic Presidency and a paragraph on migration included in the LI COSAC Contribution of Athens, which, among other aspects, underlined the need for initiatives aimed at implementing the principle of solidarity and fair-sharing of responsibility, as laid down in Article 80 of the TFEU.

The Italian *Camera dei deputati* approved motions in plenary on EU migration policy which requested further support, including through increased financial assistance of FRONTEX operations, to the Italian action to cope with the flow of landings as well as review of the Dublin III Regulation⁴² in order to allow refugees to submit asylum application already in transit countries and not only in the first country of arrival. In addition, it urged the EU to encourage the countries of origin and transit to put in place a proper policy management of flows, especially in the fight against trafficking of human beings.

⁴⁰ P7_TA-PROV(2013)0448

⁴¹ COM (2013) 869

⁴² Regulation (EU) No 604/2013 of the European Parliament and of the Council establishing the criteria and mechanisms for determining the Member State responsible for examining an application for international protection lodged in one of the Member States by a third-country national or a stateless person (recast)

The Italian *Senato della Repubblica* urged the Government to assess operational proposals enabling European migration policies to make a step forward, by developing a dimension of solidarity and responsibility-sharing; to support the strengthening of FRONTEX; to make every effort, even bilaterally, to enter co-operation agreements with countries of origin and transit and to evaluate the degree of consent with a view to amending the Dublin II Regulation⁴³ (reception criteria, distribution of asylum claims among Member States).

The European Parliament's LIBE Committee stated, that the European Parliament, in its Resolution of 23 October 2013 on migratory flows in the Mediterranean, with particular attention to the tragic events off Lampedusa stressed the importance of solidarity and responsibility-sharing in the field of asylum and called on the Member States to make sure that all the provisions of the various CEAS instruments were correctly implemented; it also stressed the need for a more comprehensive strategy, in particular for the Mediterranean, which would place labour migration within the context of the social, economic and political development of its neighbourhood and at the same time for strong criminal sanctions for those individuals who facilitate human trafficking.

The UK *House of Lords*, adding information on its activities, reported that it considered migration flows in the Mediterranean in 2008 when it conducted a major inquiry into FRONTEX. It also cited its report, published in 2013, on the Global Approach to Migration and Mobility which considered, among other things, the Commission Communication COM(2011)743 final.

⁴³ Council Regulation (EC) No 343/2003 of 18 February 2003 establishing the criteria and mechanisms for determining the Member State responsible for examining an asylum application lodged in one of the Member States by a third-country national

CHAPTER 4: EU AGENCIES AND NATIONAL PARLIAMENTS

The first part of the fourth Chapter focuses, firstly, on whether EU Parliaments have scrutinised the role, functions and accountability mechanisms of EU agencies and, secondly, on the views expressed by EU Parliaments with regard to the establishment of agencies, the powers delegated to them and the effectiveness of their work and of the existing accountability mechanisms by means of which EU institutions monitor their activity with special focus on the Common approach on decentralised agencies adopted in July 2012 by the European Parliament, the Council and the European Commission and the roadmap presented by the European Commission in December 2012.

The second part presents Parliaments/Chambers' evaluation of agencies in terms of their effectiveness as tools to implement European policies, the appropriateness of the legal bases used for their establishment, their structure and governance, the effectiveness and adequacy of existing accountability mechanisms at EU level for monitoring these; it also gathers Parliaments' ideas on national Parliaments' contribution to the current reflection on enhancing the accountability of EU agencies.

In addition, this Part contains information on: existing legal provisions or administrative arrangements regulating relations between Parliaments/Chambers and EU agencies; formal and informal cooperation between Parliaments/Chambers and EU agencies; the use of EU agencies' information or expertise by Parliaments/Chambers; and the possible need to improve relations between national Parliaments and EU agencies.

PART A – Role and accountability of EU agencies

The majority of Parliaments/Chambers (22 out of 38) answered that they had never carried out an overall consideration of the role, functions and accountability mechanisms of EU agencies, or of any specific agency.

Most of the Parliaments/Chambers that answered positively referred to consideration of certain agencies, which they specified (i.e. Europol and Eurojust being the most common, as well as FRONTEX, EASO, EPPO, ENISA etc.). The Estonian *Riigikogu* associated the debate with the agenda of the EU Council.

Four Parliaments/Chambers (Finnish *Eduskunta*, French *Sénat*, Dutch *Eerste Kamer*, Italian *Senato della Repubblica*) raised general points on the functioning, role and accountability mechanisms of EU agencies. The Finnish *Eduskunta*, in its report on the Government's White Paper on EU policy noted the increased role of the agencies and suggested that "the limits to delegation of authority by the Commission to subordinate agencies, and the corollary democratic oversight need to be subjected to clearer and more uniform regulation". The Dutch *Eerste Kamer* mentioned that it had extensively discussed the proliferation of EU agencies and the possible duplication of the work of some agencies of the EU and the Council of Europe, and noted that the overall role of EU agencies was a recurring theme in the yearly debate on the State of the EU.

The competent committees of the European Parliament answered on the positive. The AFCD and BUDG Committees referred to their participation in the IWG on decentralised agencies. In addition

to that, the BUDG Committee organised hearings on a yearly basis on budget and other horizontal issues, while the CONT Committee evaluated decentralised agencies through the related yearly discharge procedure.

The EU Affairs Committee of the French *Sénat* adopted a resolution in 2006 concluding that European agencies were established without overall consistency and were too fragmented in terms of their respective role and effectiveness; their areas of responsibility and competence were not precisely delineated; their added value by comparison to the national level was uneven; there was insufficient control of the increase in their financial means and personnel; when their effectiveness was assessed, such assessment had no effect on them.

The Italian *Senato della Repubblica* noted that it had praised the role played by agencies and had often called for their modernisation, strengthening and improved accountability, emphasising the need for better co-ordination with authorities of member States and other bodies, also within the EU.

Almost all of the responding Parliaments/Chambers (34 out of 35) answered that they had not considered the Common Approach on decentralised agencies adopted in July 2012 by the European Parliament, the Council and the Commission.

The Estonian *Riigikogu* mentioned, though, that some parties raised the issue during the European elections campaign. The Swedish *Riksdag*, being the only national Parliament answering in the affirmative, recalled that the Committee on Justice noted that the European Commission referred to the Common Approach on decentralised agencies as an argument for merging Europol and CEPOL. The European Parliament was represented in the IWG that prepared the document, which was discussed in various committees and by the Conference of Presidents; the CONT committee had considered both the Common Approach and the roadmap in its relevant report⁴⁴, while the BUDG Committee follows its implementation, in the framework of the budgetary procedure and legislative opinion.

When asked if Parliaments/Chambers had considered the roadmap presented by the European Commission in December 2012 on the follow-up to the abovementioned Common Approach and progress on its implementation, all but 2 of the 35 responding Parliaments/Chambers answered negatively. The BUDG and CONT committees responded positively, while the AFCD Committee negatively.

The UK *House of Commons* recalled its Committee's conclusion that significant financial considerations were at the heart of the reform of decentralised agencies, particularly given current economic and budgetary pressures. The Committee had also asked for an update from the Minister on the outcome of the Government's review of the performance of the agencies within the scope of the Common Approach and Roadmap "from the point of view of the UK's interaction with them" and, more generally, giving the Government's assessment of the rigour with which the reforms set out in the Roadmap were being applied and monitored by the Commission.

⁴⁴ European Parliament resolution of 3 April 2014 on discharge in respect of the implementation of the budget of the European Union agencies for the financial year 2012: performance, financial management and control, P7_TA(2014)0299

The UK *House of Lords'* Sub-Committee on Justice, Institutions and Consumer Protection conducted scrutiny on the dossier and corresponded with the UK Government on it. In particular, the Sub-Committee drew attention to the need for a comprehensive EU regulatory framework dedicated to conflict of interest, which would establish minimum standards applicable to all EU agencies and asked for further updates from the Government about progress on the implementation of the Common Approach.

The German *Bundestag* noted that it participated in the legislative process when a new agency was set up.

Effectiveness of agencies as a tool to implement European policies

Nine of the 31 responding Parliaments/Chambers highlighted the important role of the EU agencies in implementing effectively and timely (Italian *Camera dei deputati*) European policies in various fields (Portuguese *Assembleia da República*, Polish *Sejm*, Italian *Senato della Repubblica*), in ensuring consistency notably due to their technical expertise and know-how (Latvian *Saeima*), in conducting independent surveys and providing evidence-based assistance and expertise to EU institutions and Member States (Greek *Vouli ton Ellinon*), in helping all the institutions to concentrate on core policy-making tasks and in contributing to enhance the cooperation between Member States and the EU in important policy areas (European Parliament's AFCE Committee). Some Parliaments/Chambers argued that this should be assessed on a case by case basis (European Parliament's BUDG Committee), and that agencies contributed to the effective implementation of EU policies only to a certain extent (Hungarian *Országgyűlés*, European Parliament's CONT Committee), or in some fields Europol and Eurojust (Czech *Senát*) or the EFCA (European Parliament's PECH Committee) were specifically referred to. The Governing majority SPÖ (S&D) and ÖVP (EPP) of the Austrian *Nationalrat* and *Bundesrat* pointed out that while highly specialised agencies served a good purpose, simple outsourcing of the Commission's task did not. The responding committees of the Swedish *Riksdag* mentioned the importance of agencies in bringing the EU closer to its citizens and the justified need for bodies responsible for follow-up at the EU level of EU policies and that are seen as independent from the Commission, or holding specific expertise on evaluations for the implementation of policies.

Criticism was expressed by 7 responding Parliaments/Chambers mainly in relation to the lack of transparent control adequate to their *de facto* powers and the risk of agency capture by sectoral interests the agencies are meant to regulate (Czech *Senát*); the questionable necessity, usefulness or cost-effectiveness of agencies which raise questions of good governance and accountability and are "part of member states' appetite for a "juste retour" on their contributions to the EU budget" (Finnish *Eduskunta*); the proliferation of EU agencies and duplication of their activities (Dutch *Eerste Kamer*, French *Sénat*, German *Bundesrat*).

The Irish Houses of *the Oireachtas* advocated a case-by-case approach to the creation of agencies, while the Romanian *Senat* emphasised the need to avoid lack of transparency and duplications. The German *Bundesrat* asserted that agencies should only be established after an examination to determine the need for a new agency and appraisal of "possible alternatives in the light of deregulation, subsidiarity, proportionality and concentration". The UK *House of Commons* mentioned its support to "Government's opposition to the increase in EU funding of decentralised agencies" and to its willingness to advocate budgetary restraint. The Committee on Transport and

Communications of the Swedish *Riksdag* indicated it displayed caution towards an extension of the agencies' competences and increased budget resources.

Appropriateness of the legal bases used for the establishment of agencies

The majority (24 out of 31) of responding Parliaments/Chambers replied there was no official position on the appropriateness of the legal bases used for the establishment of European agencies, taking into account the nature and the scope of powers conferred on them.

In some cases, although no official position was taken, debates were conducted with regard to the possibility of creating a new EU Agency for Child Protection, Innovation and Social Inclusion (Romanian *Senat*), draft acts to establish agencies (Portuguese *Assembleia da República*), the operation of individual agencies, their tasks, goal and financing, and also the need to adapt the legal framework of agencies such as Eurojust and Europol to Treaty requirements (Polish *Sejm*).

The Committee on Transport and Communications of the Swedish *Riksdag* mentioned that it deemed the proposed changes within the EASA inappropriate. In the framework of the subsidiarity check of the Commission's proposal on the Fourth Railway Package, the Committee questioned whether a certain transfer of decision-making authority from the member states to the ERA was a proportional measure for achieving the objective of the proposals.

The Italian *Camera dei Deputati* has taken an official position on the appropriateness of the legal bases used for the establishment of the ESAs, the EBA, the EIOPA and the ESMA. The Italian *Senato della Repubblica* considered the legal bases of several agencies to be appropriate in most cases (e.g. FRA, Europol, ENISA); it considered however that Article 77(2)(d) TFEU should be part of the legal basis of FRONTEX and Article 192(1) TFEU should be added to that of the EMSA.

In its opinion on the appropriate legal basis of the amended proposal for a regulation of the European Parliament and of the Council establishing an Agency for the operational management of large-scale IT systems in the area of freedom, security and justice⁴⁵, the European Parliament's JURI Committee concluded that Articles 85(1) and 88(2) TFEU should be added to Articles 74, 77(2)(a) and (b), 78(2)(e), 79(2)(c), 82(1)(d) and 87(2)(a) TFEU to form the legal basis for the proposed regulation.

In a 2008 opinion, the German *Bundesrat* called for the unambiguous stipulation of the mandates of agencies in the legal founding acts and for the consideration of the option of introducing a possible time limit for the existence of the agency. More recently, it has noted that the draft Regulation on the European Union Agency for Law Enforcement Cooperation and Training did not fall within the scope of the legal basis indicated in that Regulation and expressed scepticism regarding the synergy effects or savings resulting from the merger of the CEPOL and Europol.

The European Parliament's AFCO Committee mentioned that the European Parliament called for the introduction of a legal basis in order to establish Union agencies which may carry out specific executive and implementing functions conferred upon them by the European Parliament and the Council in accordance with the ordinary legislative procedure⁴⁶. The Romanian *Camera Deputaților*

⁴⁵ COM(2010)0093

⁴⁶ European Parliament Resolution of 12 December 2013 on Constitutional problems of a multitier governance in the EU, P7_TA(2013)0598

drew attention, among others, to the impact of Europol's new organisational framework on its operational capacity; the infringement of the provisions of the Treaty when denying national Parliaments access to classified information processed by or through Europol, which is accessible to the EP; the negative effects of the merger of Europol and the CEPOL; the risk of reducing the effectiveness of Eurojust in case of an unbalanced transfer of resources to the future European Prosecutor. On the proposed reform of Eurojust, the Czech *Senát* argued Eurojust was "a special case for which the common approach should not apply – especially the principle that the members of the collegium exercise powers that they are granted by the national law" and that "the limited role of Commission should be maintained".

Possible need to improve the structure and the governance of agencies

Sixteen out of the 31 responding Parliaments/Chambers replied there was no official position on this issue, while several mentioned there was a need to improve the structure and the governance of agencies, for instance in terms of good governance and accountability (Finnish *Eduskunta*, Hungarian *Országgyűlés* and the Governing majority SPÖ (S&D) and ÖVP (EPP) of the Austrian *Nationalrat and Bundesrat*), transparency (Portuguese *Assembleia da República*), independence (Czech *Senát*), namely by:

- ensuring accountability and control of EU agencies by not granting them too strong factual powers from the outset (Czech *Senát*);
- ensuring that the structure and governance remain appropriate to the developing tasks of agencies; developing a comprehensive regulatory framework on conflict of interest (UK *House of Lords*);
- establishing regulating guidelines and objective pre-defined criteria for choosing agencies' seats; observing the principles of strict budgetary discipline and sound financial management; adapting, possibly by reducing agencies' budgetary and personnel resources taking into account the results of the execution of the Community budget; developing instruments of management control; presenting agencies accounts on the basis of common indicators allowing comparisons between agencies; greater involvement of Member States, through their representatives on the Executive Boards in the operation and control of agencies (French *Sénat*);
- merging agencies where they tasks represent functional similarities; making a more efficient and rational use of available resources (Latvian *Saeima*);
- simplifying the structure and the governance of agencies; ensuring that Executive Boards do not have an excessively large structure and that major decisions require qualified rather than simple majority; assessing whether agencies fully meet the requirements of efficiency and rapid response; concentrating budgetary resources on operational costs, instead of administrative costs (Italian *Camera dei deputati*);
- actively supporting the development of agencies; promoting agencies in EU Member States and among citizens; supporting civil servants who apply for working in EU agencies; assessing agencies' effectiveness (Polish *Sejm*);
- as suggested in the Common Approach, undertaking an objective impact assessment before deciding to create a new Agency; defining the criteria for the choice of the seat;

- introducing a review clause foreseeing the option of merging or closing down agencies (European Parliament's AFCD Committee);
- improving agencies' structure and governance, particularly in providing value for money for European taxpayers (European Parliament's CONT Committee).

The Slovak *Národná rada* supported the view that there was no need to improve the structure and the governance of agencies.

Effectiveness and adequacy of the existing accountability mechanisms by means of which EU institutions monitor the agencies

For the European Parliament's BUDG Committee, the existing accountability mechanisms were overall adequate and effective, while they were deemed to be only partly effective by the Romanian *Camera Deputaţilor* and not sufficiently adequate by the European Parliament's CONT Committee. The governing majority SPÖ (S&D) and ÖVP (EPP) of the Austrian *Nationalrat* and *Bundesrat*, the Belgian *Chambre des représentants* and the Italian *Camera dei Deputati* replied that the existing accountability mechanisms were not adequate and effective, while the Romanian *Camera Deputaţilor* viewed them as only partly effective. The Hungarian *Országgyűlés* underlined that further efforts were necessary in this respect.

Accountability before the European Parliament and national Parliaments, when this is foreseen, should be strengthened, according to the Italian *Senato della Repubblica*. It was also argued that the European Parliament should have adequate monitoring powers (Italian *Camera dei deputati*) and a more proactive role (Greek *Vouli ton Ellinon*) in scrutinising EU agencies.

The Lithuanian *Seimas* underlined that parliamentary control over the activities of the agencies could be further enhanced, while the Irish *Houses of the Oireachtas* stated that existing mechanisms did not fully recognise the role of national Parliaments in all cases and argued that they could contribute to enhancing the accountability of agencies. The Portuguese *Assembleia da República* argued that it was desirable for the heads of agencies to be available to come also to national Parliaments for more in-depth monitoring.

The Latvian *Saeima* welcomed the European Commission guidelines on the prevention and management of conflicts of interest in EU decentralised agencies, as well as its ongoing work on the elaboration of evaluation guidelines. The European Parliament's BUDG Committee mentioned the creation of a new working group, focusing on budgetary aspects of decentralised agencies. The French *Sénat* called for the "horizontal" assessment of regulatory agencies undertaken by the European Commission to include a systematic review of the added-value of their operation in comparison with the action of Member States, under the principle of subsidiarity; this review should also address possible overlaps of competences between agencies, with a view to approximating or merging some of them.

The European Parliament's AFCD Committee recalled that the implementation of the Common Approach represented a responsibility for the EU co-legislators, notably when deciding on agencies' founding acts; notwithstanding the need for a case by case analysis, already performed by the Commission upon preparation of its legislative proposals, it would welcome a more

coherent and reform-minded approach on the side of the co-legislators when discussing issues stemming from the Common Approach.

The Committee on Justice of the Swedish *Riksdag* proposed changes with a view to strengthen parliamentary scrutiny of Europol and emphasised the importance of the national Parliaments participating on equal terms in relation in the European Parliament in the discussions on the establishment of a joint parliamentary scrutiny. With reference to the reporting requirements of Europol, the Romanian *Camera Deputaţilor* proposed the creation of an interactive platform for information exchange between Europol and national Parliaments and the European Parliament; it also proposed the publication by the European Commission of a document informing the general public on Europol's activities.

Possible contribution of national Parliaments to the current reflection on enhancing the accountability of EU agencies

Fourteen responding Parliaments/Chambers answered national Parliaments could contribute to the on-going reflection on enhancing the accountability of EU agencies, mentioning, among others sharing best practices (Czech *Senát*), involving national Parliaments in reflecting on the role of agencies and their supervision (Portuguese *Assembleia da República*) and using the outcome to set up effective mechanisms (Hungarian *Országgyűlés*); ensuring strong parliamentary scrutiny of the EU agencies (Committee on Justice of the Swedish *Riksdag*) by national Parliaments together with the European Parliament (the governing majority SPÖ (S&D) and ÖVP (EPP) of the Austrian *Nationalrat* and *Bundesrat*).

The Dutch *Eerste Kamer* mentioned, in this regard, that it had accepted the invitation of the LIBE committee of the European Parliament to voice its opinion on the accountability mechanism of Europol. In relation to Europol, the Romanian *Camera Deputaţilor* suggested "the establishment of a permanent interparliamentary forum for strengthening control by national Parliaments (...); including Europol's relations with national Parliaments in its Communication Strategy as well as the External Cooperation Strategy".

The Finnish *Eduskunta* argued that "national Parliaments should be careful when addressing the inner mechanics of the EU executive" deeming, however, the general issue of whether agencies were an appropriate answer to the EU's needs a legitimate subject for Member States and national Parliaments. The European Parliament's AFCD Committee recalled that EU agencies were accountable to the EU institutions and that suggestions from national Parliaments to enhance that accountability were welcome.

PART B - Relations between national Parliaments and EU agencies

Information by EU Parliaments on formal and informal relations with EU agencies

The overwhelming majority of responding Parliaments/Chambers (29 out of 37) replied that there were no specific legal provisions (legislation, rules of procedure, etc.), practices or administrative arrangements concerning relations between their respective Parliament/Chamber and EU agencies.

The European Parliament is the discharge authority for the European agencies budget. As co-legislator and budgetary authority, the European Parliament can prevent the creation of any agency in case there is no agreement on its funding; all budgetary documents, including information on building projects, have to be submitted to the European Parliament. The European Parliament is involved in the nomination process of executive directors, ensures political supervision, also through the presentation of agencies annual work programmes/activity reports, has formal relations with agencies (visits, annual meetings, exchange of letters) and sometimes directly uses agencies' expertise.

Several other Parliaments/Chambers provided details on existing arrangements, mentioning, among others:

- hearings by standing committees of EU agency officials in the framework of fact-finding enquiries, under the Rules of Procedure or informally; the establishment by law of a Joint Committee for Schengen Agreement, Europol and Immigration Oversight (Italian *Senato della Repubblica*);
- national EU scrutiny procedures (Finnish *Eduskunta*);
- discussion of the annual reports of Europol and Eurojust (Czech *Senát*, Lithuanian *Seimas* which included this practice in its Rules of Procedure);
- the appointment of a national contact point between the Spanish *Cortes Generales* and the FRA;
- contact with EU agencies both through subject committees and the scrutiny process of Annual Reports (UK *House of Commons*);
- formal and informal meetings of officials from EU agencies with parliamentarians to discuss specific issues; inquiry into FRONTEX and visit to Warsaw in order to take evidence from the Director and senior officials; inquiry into the work of Europol and visit at The Hague to Europol and Eurojust in order to take evidence from the Director; visit to the EMCDDA in order to take evidence from the Director and senior officials; request for written evidence from the European Asylum Support Office; scrutiny of the draft Proposal for a Regulation on the EU Agency for Law Enforcement Cooperation & Training (Europol) proposed by the Commission in 2013⁴⁷; consideration of the Proposal for a Regulation establishing the European Police College, repealing and replacing the Council Decision 2005/681/JHA (CEPOL)⁴⁸ (UK *House of Lords*);
- hearings by Standing Committees of representatives of the EU Agencies under the Rules of procedure (Italian *Camera dei Deputati*).

Twenty out of the 30 responding Parliaments/Chambers could provide figures or general information about formal and informal relations (hearings, visits, conferences, etc.) with EU agencies since 2010, mentioning:

- only occasional visits to/from the ECHA (Finnish *Eduskunta*);
- eleven committee meetings with the participation of representatives from EU agencies and presentations made by the latter in various conferences (Lithuanian *Seimas*);

⁴⁷ COM (2013) 173

⁴⁸ COM (2014) 465

- discussion of annual reports of Eurojust and Europol with participation of Czech members/liaison officers in these agencies; working visits of members to the FRA and to the Europol and Eurojust (Czech *Senát*);
- visits of the Representative of the EMCDDA and of the Director of the FRA (Spanish *Cortes Generales*);
- visits to Europol and Eurojust (French *Sénat*);
- invitation of representatives of EU agencies to committee meetings; meetings with representatives of the FRA, the EASO, Eurojust and Europol (Dutch *Eerste Kamer*);
- participation in FRA conference, study visit to the EIGE, interest in the work of the EU-OSHA, the Eurofound, reception of e-mails from the FRA (responding committees of Swedish *Riksdag*);
- regular meetings with agencies and productive relationship (UK *House of Lords*);
- joint committee hearing with the Director of the FRA; contacts between competent committees and the EMCDDA (Portuguese *Assembleia da República*);
- planned session with the participation of FRONTEX representatives in the near future (Polish *Sejm*);
- three meetings with Eurojust, BEREC, FRA (Latvian *Saeima*);
- seven meetings (3 formal hearings, 2 informal meetings, 1 conference and 1 Study visit of a delegation of the Chamber) (Italian *Camera dei deputati*);
- six hearings (of which 4 formal as part of an enquiry and 2 informal jointly with the Chamber of Deputies); 1 visit of the Senate Health Committee to the EMEA (Italian *Senato della Repubblica*);
- participation of the Director of the European Institute for Innovation and Technology in 2 committee meetings (Hungarian *Országgyűlés*);
- thematic session where the EMCDDA presented the European Drug Report; visit of members to the EMCDDA (Croatian *Hrvatski sabor*);
- participation of parliamentarians to joint meetings organised by the European Parliament; parliamentary questions; hearings in the framework of preparation of legislation (Belgian *Chambre des représentants*);
- between 2012-2014, 6 conferences involving the ACER, Europol, EIGE and EEA (Romanian *Senat*);
- two visits and the participation of parliamentary delegations to 3 conferences (Romanian *Camera Deputaţilor*);
- in 2014, 3 meetings were held between the competent committees and delegations from FRA, EIGE and ENISA; participation of the FRONTEX Director Executive as a speaker in a meeting held during the Hellenic Presidency (Greek *Vouli ton Ellinon*);
- based on the decision of relevant committees - (formal and informal) meetings with representatives from FRONTEX, the EDA, ESMA, EBA and EIOPA, the Director of FRA; debates on Annual Report (Eurojust, EDA); visits to FRA, EBA, EDA and to the OHIM; discussion and adoption of legislation on relevant agencies (German *Bundestag*);
- the European Parliament's CONT Committee organises every year a presentation of discharge reports, as well as an exchange of views, in the presence of the agencies' Directors; in 2011 it organised a hearing on the discharge to decentralised agencies and in 2013 a workshop on better avoidance of conflict of interest in EU agencies and other bodies; BUDG organises annual hearings with the Agency network; it commissioned 3 studies on agency-related issues; the rapporteurs and Committee Chair visited several

agencies (e.g. FRONTEX in 2011) and participated in meetings of the Heads of agencies; various agencies had to defend their building policy before the committee; PECH organised in 2013 a mini-hearing on EFCA performance, with EFCA representatives, and sent a delegation to EFCA in 2012.

Making use of information or expertise provided by EU agencies

Sixteen of the 33 responding Parliaments/Chambers replied that they made use of information or expertise provided by EU agencies in the framework of their activities. In general, according to the information provided, this was done at both political and administrative level (Czech *Senát*, Spanish *Cortes Generales*, responding committees of the Swedish *Riksdag*, UK *House of Commons*, Portuguese *Assembleia da República*, Danish *Folketing*, Polish *Sejm*, Greek *Vouli ton Ellinon*, German *Bundestag*, responding committees of the European Parliament) or only at political (Finnish *Eduskunta*, UK *House of Lords*,) Dutch *Eerste Kamer*) or administrative level (Romanian *Senat*, Italian *Senato della Repubblica*, Latvian *Saeima*, Italian *Camera dei Deputati*).

Respondents stated that the information and expertise provided by EU agencies under the form of studies, reports, statistics, but also delivered in the framework of formal and informal meetings with officials from EU agencies, was used in the work of parliamentary bodies, namely in the scrutiny of related proposals of EU legislation, in the legislative process, in national policy-making for an assessment of policies and trends or when considering the review of legislation and as a general source of information for parliamentary business (Czech *Senát*, Spanish *Cortes Generales*, Italian *Camera dei deputati*, Greek *Vouli ton Ellinon*).

The Dutch *Eerste Kamer* mentioned that, when agencies published documents on European dossiers that were under scrutiny by the Chamber, these documents were linked in the electronic dossier on the website of the Senate. The information and expertise provided by Europol, Eurojust, FRA, EMCDDA, EU-OSHA, FRONTEX, EIGE, ESMA, EBA and EIOPA were specifically referred to by some of the responding Parliaments/Chambers.

Improving relations between national Parliaments and EU agencies

Twenty-two of the 26 responding Parliaments/Chambers replied that, in their view, relations between national Parliaments and EU agencies should be improved and that there was scope for contact and cooperation to be enhanced. The Czech *Senát* explained that, given the limited time and resources of the Chamber, establishing closer relations with other agencies was not a priority.

Various practical recommendations were made in this respect, among which:

- regular invitations from agencies to representatives from national Parliaments for site visits (Dutch *Eerste Kamer*) and availability of the agency directors to travel regularly (Portuguese *Assembleia da República*);
- formal and informal meetings of officials from EU agencies with parliamentarians (UK *House of Lords*) both in individual Chambers and in Agency seats (Polish *Sjem*, Luxembourg *Chambre des Députés*), more frequent bilateral and multilateral meetings (Italian *Camera dei deputati*);

- exchange of documents (Italian *Camera dei deputati*); regular and systematic access to information about the activities of EU agencies (Hungarian *Országgyűlés*) that could be directly transmitted by the latter to national Parliaments (Latvian *Saeima*);
- use of the IPEX platform by agencies in order to inform national Parliaments on data available and how to access it (Romanian *Camera Deputaţilor*);
- attendance of executive directors or experts from EU agencies to Committee hearings or debates (Greek *Vouli ton Ellinon*, Czech *Poslanecká sněmovna*);
- annual hearing of the agencies' CEOs during Joint committee meetings (Belgian *Chambre des représentants*);
- extending directors/boards existing reporting duties *vis-à-vis* national Parliaments to other agencies (Governing majority SPÖ (S&D) and ÖVP (EPP) of the Austrian *Nationalrat and Bundesrat*);
- regular interparliamentary meetings of committees with those who are responsible for the implementation of relevant Treaty provisions (Italian *Senato della Repubblica*);
- the responding committees of the Swedish *Riksdag*, while acknowledging that a closer contact between national Parliaments and EU agencies would increase the perceived reliability of the information given by the EU agencies, pointed out that national agencies with similar competences might be more appropriate points of contact for certain issues;
- The French *Sénat* mentioned specific documents on the activities of Europol which national Parliaments should receive regularly and timely, suggesting that this could also be considered in order to improve cooperation with other agencies;
- more frequent inclusion of discussions on agencies or on a specific agency in the agenda of interparliamentary meetings, notably COSAC (Luxembourg *Chambre des Députés*).

Referring to the Proposal for a Regulation establishing Europol⁴⁹, the UK *House of Lords* took the view that "the provisions proposed by the Commission were very much what was needed, while the amendments proposed by the European Parliament would give rise to a large and expensive body, meeting only at and on the invitation of the European Parliament, without any of the desirable flexibility for such arrangements".

The Romanian *Senat* affirmed that any kind of conflict of competencies between national Parliaments and the European Parliament had to be avoided and that cooperation between the national level and the European level of decision-making had to be strengthened in relation to the control of the functioning of European agencies.

⁴⁹ Regulation establishing Europol, see footnote 47

