

**MINUTES OF THE
XXXV COSAC
VIENNA,
22-23 MAY 2006**

AGENDA:

1. Opening of proceedings and adoption of Agenda
2. Europe - perspectives and pragmatism: Austrian Federal Chancellor Wolfgang Schüssel
3. Debate on the future of the Constitutional Treaty and subsidiarity control by the national parliaments
4. The Western Balkans and the European Neighbourhood Policy: European Commissioner for External Relations and Neighbourhood Policy, Benita Ferrero-Waldner, and Special Co-ordinator of the Stability Pact for South Eastern Europe, Mr Erhard Busek
5. Adoption of Contribution

PROCEEDINGS OF THE SITTING

22 May 2006:

JOINTLY IN THE CHAIR: Mr Werner FASSLABEND, MP, Chairman of the Permanent Subcommittee on EU Affairs of the *Nationalrat*, and Mr Gottfried KNEIFEL, MP, Chairman of the EU Affairs Committee of the *Bundesrat*..

1. Opening of proceedings and adoption of Agenda:

The Chairman, Mr Fasslabend, welcomed all participants and opened the proceedings of the XXXV COSAC. Mr Fasslabend explained that a representative from the Ukrainian Parliament had been invited to attend the meeting, but the Parliament had not been able to send anyone.

Mr Kneifel stressed the importance of subsidiarity, saying that decisions needed to be taken as closely to the citizen as possible. The definition and division of responsibilities within the EU needed to be clear. He welcomed the commitment by the President of the European Commission, Mr Barroso, to send all Commission documents directly to the national parliaments.

There being no objections, the agenda as shown above was adopted.

2. Europe - perspectives and pragmatism: Austrian Federal Chancellor Wolfgang Schüssel

In his introductory remarks Chancellor Schüssel described the year 2005 as a very difficult year for the EU. The project of the Constitutional Treaty had almost failed after the negative votes in

two EU member states. At the same time the negotiations on the EU-budget for the years 2007-2013 were highly controversial. Moreover, mutual confidence of EU-institutions in each other suffered from heavy disturbances, and the trust of European citizens in the EU was gravely damaged. Chancellor Schüssel therefore saw the “holding together” of the EU as one of the most important tasks at present. Austria’s intention was to bring all member states on board, whereas he declined ideas such as a “core Europe“. Besides, Austria was making an effort to bring new dynamics into the debate on Europe.

Chancellor Schüssel emphasized the consensus finally achieved on the EU budget. He pointed to the increase in the science budget, the doubling of financial means for the Transeuropean Network and the vital impulse for student exchange programmes. Also for the small and medium size enterprises more money has been made available, as well as for the cooperation on foreign and security policy. Moreover, Austria had put the services directive on track.

With regard to the subsidiarity principle Chancellor Schüssel welcomed the promise of the Commission’s President Barroso to deepen the involvement of national parliaments in EU-projects and to explain with every legislative proposal why the latter would be solved in the most efficient way on an EU level. The EU citizens had the feeling that the EU was moving towards excessive centralisation – the subsidiarity principle therefore was a good antidote.

Concerning EU enlargement Schüssel described himself as a fervent supporter of the past accession of ten countries and of the forthcoming accession of Romania and Bulgaria. Nevertheless, the speed of enlargement had overstrained a number of citizens, moreover it was important that the EU preserved its room of manoeuvre. Schüssel therefore pleaded for objectified accession procedures.

Regarding further focal points of the Austrian presidency Schüssel mentioned the energy strategy, a sustainability strategy and the Western Balkans. The reflexion period on the future of Europe and the Constitutional Treaty should be carried on in a structured way and within a precise time frame, so that in 2007 a decision could be taken.

The Chairman, Mr Fasslabend, thanked the Federal Chancellor and opened the floor. Delegates voiced their thoughts and estimations on the points raised by Chancellor Schüssel, especially on how the trust of European citizens in Europe could be improved, and on the question of enlargement. A plea was made regarding a more intensified cooperation on the parliamentary level to mitigate the existing tensions between national parliaments and the European Parliament.

Chancellor Schüssel in his closing remarks emphasized that the Constitutional Treaty was foreseeing additional individual rights for the citizens as well as for national parliaments. The draft Treaty would bring a lot of improvements and therefore should not be sacrificed frivolously. Moreover, Schüssel warned against the “delegation of Europe” to the Commission and the European Parliament as Europe was a project of all institutions. Therefore politicians and governments had the duty to be ready to account for this project on a daily basis. Schüssel regretted that the European project was threatened by a provincial narrowness and called for a joint effort to combat these tendencies.

Mr Fasslabend thanked the Federal Chancellor for his participation in COSAC.

3. Debate on the future of the Constitutional Treaty and subsidiarity control by the national parliaments:

The Speaker of the Austrian *Nationalrat*, Mr Andreas Khol, opened the discussion on subsidiarity by highlighting the activities taken by the Austrian Parliament during the Presidency. He welcomed the commitment from the Commission to submit all draft European legislation to national parliaments at the same time as sending it to the Council and the European Parliament. He said that national parliaments should be given the opportunity to issue opinions on draft European

legislation. He claimed there was a need to develop a subsidiarity check list for draft legislative proposals that would match the existing financial check list produced by the Commission. Mr Khol expected the European Council in June to accept a stronger role for national parliaments in the subsidiarity procedure. In this regard, he considered that COSAC should function as the main forum for coordination and bench marking.

The Chairman, Mr Fasslabend, reminded the conference of the Chairpersons' decision in February to carry out a subsidiarity and proportionality check based on the current Treaties and opened the floor for interventions. An exchange of views and information took place between delegates. Several delegations highlighted the importance of transparency in the Council in order to guarantee effective parliamentary scrutiny. The need to define the right level at which decisions should be taken was stressed, connecting the principles of subsidiarity and proportionality to the better regulation agenda.

Some delegations voiced a concern that if national parliaments took a more active role in monitoring the application of subsidiarity, that would amount to "cherry-picking" from the Constitutional Treaty and would disturb its careful balance, which had only been achieved after lengthy negotiations. Others voiced a concern that if national parliaments concentrated on subsidiarity, that would detract from what they saw as their core task, namely, scrutinising the actions of their government in the Council. According to some, the decision of the Commission to submit documents directly to the national parliaments went beyond the existing Treaties but could nonetheless be considered as a positive development if it encouraged national parliaments to take a greater interest in EU affairs.

It was noted that the Commission annual work and legislative programme did not contain enough information to facilitate debate. It was suggested that the Commission should present its programme to the national parliaments at the same time as to the EU institutions. National parliaments should start deliberations in the COSAC meeting held in the first half of the year on the content of the commission work programme and communicate their findings to the Commission.

At the end of the debate, the Chairman, Mr Fasslabend, concluded that the contributions had shown that the time was ripe to take the discussion on subsidiarity to a new level.

23 May 2006:

4. The Western Balkans and the European Neighbourhood Policy: European Commissioner for External Relations and Neighbourhood Policy, Benita Ferrero-Waldner, and Special Co-ordinator of the Stability Pact for South Eastern Europe, Erhard Busek

The European Commissioner for External Relations and Neighbourhood Policy, Ms Benita Ferrero-Waldner, gave a presentation on the Western Balkans and the European Neighbourhood Policy, in which she underlined the vital importance of national parliaments, as without their transmission function European politics could not work. Ferrero-Waldner identified three main topics the EU is facing at present: the sceptic attitude of many European citizens towards the EU, the economic situation and the globalisation with its chances and risks. She expressed her conviction that the EU had to become more transparent and democratic and show a higher profile. With a view to the challenges of globalisation she meant that the EU was more important than ever.

Regarding the Constitutional Treaty Ferrero-Waldner said that the Commission was now changing from the reflexion period to the phase of action. The Constitutional Treaty must not be left behind, a step by step approach had to be pursued and the existing treaties had to be tapped to their full potential. An active foreign policy was getting increasingly important, as the EU had to export stability. The neighbourhood policy therefore was giving political answers to the strategic questions and the geostrategic tasks of the EU. Ferrero-Waldner characterized the EU neighbour policy as a success model, that is supporting policies of wealth, stability and security for the EU itself and its neighbours. She gave examples of various political action plans of the EU, including human rights aspects, environmental, economic and education policies.

Again, Ferrero-Waldner stressed the important role of national parliaments, especially with respect to interparliamentary cooperation including the one with neighbouring countries. The subsidiarity principle in this regard was an element enabling European actors to connect more efficiently, thus making more rapid action possible.

The Special Coordinator for the Stability Pact in Southern Eastern Europe, Erhard Busek, gave an overview of the present situation in the Balkans, which constitute a vital region for Europe. After summarizing the history of the Stability Pact Busek described the pact as a success story, as it not only helped to cease the war and the involved atrocities, but to build stable political and economic conditions. The tasks of the pact – peacemaking and peacekeeping – were solved in an excellent manner. Busek gave an outline of the fields of action of the Stability Pact and gave an estimation of the results so far. The political situation was satisfying, the problem of refugees had been solved in many respects. With regard to the impact on the internal situation and the labour market the pact now was increasingly dealing with migration.

Busek stressed the necessity for a stronger interparliamentary and local cooperation. As examples in this regard he mentioned the forest fires on the coast in the Adriatic region that could be fought against more efficiently by a cooperation of the fire brigades of Bosnia and Herzegovina, Croatia and Montenegro.

With a view to the economic developments in the region the pact worked very successfully as well, as was shown by the growth rates between four and seven per cent. However, the developments from country to country were very diverse – the nearer the countries were to the EU, the better was their economic performance. Finally, Busek addressed questions of the security policy: in the fields of fighting criminality, especially drug trafficking, and corruption there was still a lot to be done.

The Chairman, Mr Fasslabend, thanked the Commissioner and the Special Coordinator and opened the floor for questions. A vital discussion by delegates followed. In their final statements, Ferrero-Waldner pleaded for a coordinated energy policy of the EU and Erhard Busek advised not to give firm dates for future accessions to the EU – projects had to be successfully implemented first – and underlined again the importance of regional cooperation.

The Chairman, Mr Fasslabend, thanked the Commissioner and Mr Busek for their participation in COSAC.

5. Contribution to the EU institutions from the XXXV COSAC

The Austrian Presidency put forward a draft contribution to the EU Institutions, which had been revised during the meeting of the COSAC Chairpersons the previous day.

The contribution was adopted unanimously as attached to these minutes.

6. Any other business

The head of the Finnish delegation, Mr Jari Vilén, representing the incoming COSAC Presidency, confirmed the dates of the COSAC meetings to be organised by the Finnish Presidency in the second half of 2006:

- 11 September 2006: Meeting of COSAC Chairpersons in Helsinki.
- 20-21 November 2006: XXXVI meeting of COSAC in Helsinki.

The Chairman, Mr Fasslabend, thanked delegations for contributing to a constructive COSAC and closed the meeting.

ANNEX

Conference of Community and European Affairs Committees of Parliaments of the European Union (COSAC)

Contribution adopted by the XXXV COSAC Vienna, 22-23 May 2006

The Future of Europe and the Period of Reflection

1.1 COSAC believes that in order to renew the confidence of Europe's citizens in the Union a broad debate which does not limit itself to the fate of the Constitutional Treaty has to be continued at all levels. In this regard citizens' specific concerns and the status of public opinion in the Member States need to be understood.

1.2 COSAC takes good note of the debate in the Joint Parliamentary Meeting on the Future of Europe on 8 and 9 May 2006. COSAC is convinced that the meeting made a valuable contribution to conclusions that might be drawn from the period of reflection.

1.3 COSAC calls on the European Council on 17 June 2006 to present a roadmap for further measures to be taken, in particular for the future of the ratification process in general, and to come up with specific proposals on how the Union could function better.

The Constitutional Treaty

2.1 COSAC calls on the European institutions to explain better the advantages of the Constitutional Treaty not just in terms of institutional questions but also with regard to citizens' rights, transparency, balance of solidarity and subsidiarity, democracy, rights of national parliaments and values.

2.2 COSAC welcomes the decision of 16 Member States including most recently Belgium, Estonia and Finland who have either already ratified the Constitutional Treaty or declared their intention to do so as a positive signal to keep the ratification process in motion while equally respecting the decision of other Member States which have not yet ratified.

Subsidiarity and Proportionality

3.1 COSAC regards the monitoring of the effective application of the principles of subsidiarity and proportionality as an important element of the scrutiny role of National Parliaments.

3.2 COSAC stresses that the EU should act in areas where action on the European level clearly brings added value. This matter was dealt with at a conference on subsidiarity in St. Pölten on 18 and 19 April 2006 as a follow-up to the Hague-conference.

3.3 COSAC bearing in mind the role national parliaments already play in the scrutiny of EU legislation as acknowledged in the Amsterdam Treaty's Protocol No 9 on the role of national parliaments in the European Union and Protocol No 30 on the application of the principles of subsidiarity and proportionality stresses that their full use should lead to more efficiency in implementing EU policies.

3.4 COSAC warmly welcomes the commitment of the President of the Commission at the Joint Parliamentary Meeting on the Future of Europe on 9 May 2006 to transmit directly all new

legislative proposals and consultation papers to National Parliaments, inviting them to react so as to improve the process of policy formulation. COSAC asks the Commission to take into account comments from National Parliaments – in particular with regard to the subsidiarity and proportionality principles - and within an acceptable timeframe to acknowledge receipt and offer a reasoned response.

3.5 COSAC requests the Commission to provide its annual legislative and work programme, the annexes and indicative lists in all languages. In addition, more detailed information on the proposals would allow national parliaments to discuss the substantial policy direction of the Commission.

3.6 COSAC welcomes the Conclusions of the Conference of the Speakers of European Union Parliaments of Budapest of 7 May 2005 that referred to COSAC's "declaration on the role of National Parliaments in the European debate: Raise national European awareness" and called upon the National Parliaments to hold a debate preferably in plenary session each year on the annual legislative and work programme of the Commission with due respect for their internal work programme, legal framework and traditions.

3.7 COSAC notes that a significant number of National Parliaments have agreed to take part in the second subsidiarity and proportionality check based on legislative proposals from the Commission's annual work programme for 2006. Since part of the proposals will only be dealt with in the second half of 2006 COSAC invites the incoming Finnish Presidency to take over the coordination under the terms of the conclusions of the XXXIV COSAC.

3.8 COSAC looks forward to the official inauguration of the IPEX website by the Conference of the Speakers of European Union Parliaments at their next conference in Copenhagen from 29 June to 2 July 2006 which should allow National Parliaments to better coordinate their activities and exchange their best practises in the framework of COSAC.

Better regulation

4.1 COSAC thanks the President of the Commission for the information on the follow up of its contribution of the XXXIV COSAC with regard to impact assessments. COSAC asks the Commission to translate at least the summaries of all its impact assessments into all official languages of the Union.

4.2 COSAC welcomes the Commission's initiative on better regulation, its efforts to simplify existing EU law and to achieve a better quality of new proposals while preserving the *acquis communautaire*.

4.3 COSAC encourages the Commission to devise a method aiming at assessing and reducing bureaucratic costs by the end of 2006.

4.4 COSAC welcomes the launch of the Commission's impact assessment web page on the Europa website where the proposals of the legislative and work programme together with roadmaps, impact assessment reports and policy documents can be found.

Openness in the Council

5.1 COSAC underlines the necessity to realise maximum transparency in the EU decision making process for the benefit of our citizens, European democracy and the future of the EU.

5.2 COSAC calls on the Council to allow open sessions for European Union legislative proposals including on certain matters not subject to the co-decision procedure as set out in Art 251 ECT and amend its rules of procedure accordingly.

The 5th Biannual Report

6. COSAC welcomes the 5th biannual report prepared by the COSAC Secretariat which has again been helpful for obtaining an overview of the developments in the European Union that are relevant to parliamentary scrutiny.

The Western Balkans

7.1 COSAC expresses its support for the reform and stabilisation process in the Western Balkans as steps towards the integration of these countries into the European Union. In this context COSAC welcomed the presence of COSAP at its meeting as a special guest.

7.2 COSAC welcomes the start of negotiations to transform the Central European Free Trade Association CEFTA into a comprehensive Free Trade arrangement for South Eastern Europe as an important step on the road to full integration of all countries of the region into the European structures.

Neighbourhood Policy

8. COSAC takes a positive note of the transformation process in the Ukraine and regards the neighbourhood policy as a necessary part of complementing the EU enlargement policy.