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Report prepared by the Permanent Representatives of the Danish and Hungarian Parliaments

The European Parliament's debate on the Commission's legislative and work programme 2006

At the meeting of the Conference of Speakers in Budapest it was decided to welcome the "declaration on the role of National Parliaments in the European debate: Raise national European awareness" adopted by the Conference of Community and European Affairs Committees of Parliaments of the European Union (COSAC).

According to the declaration a coinciding debate should take place in all the EU parliaments on the Annual Legislative and Work Programme of the European Commission (LWP). The objective of such a debate is to encourage EU parliaments to place European issues on their agenda and thus bring citizens and civil society closer to Europe.

The Speaker of the Danish Parliament, Mr. Christian Mejdahl, who will be hosting the forthcoming Speakers Conference in Copenhagen, has encouraged all EU parliaments to debate the LWP during the fourth quarter 2005¹.

The European Parliament held its debate on the LWP on November 15th 2005. The following memorandum, prepared jointly by the Permanent Representatives of the Danish and Hungarian Parliaments, introduces the LWP and summarizes the European Parliament's debate. This memorandum is intended as a contribution to the subsequent debates in the national parliaments.

I. Introduction to the Legislative and Work Programme (LWP)

The LWP sets out the major political priorities and identifies legislative and non-legislative initiatives that the Commission intends to adopt during the coming year².

The European Commission's LWP 2006³ should be seen as a natural continuation of the Barroso Commission's Strategic Objectives 2005-2009⁴ which was presented at the start of its mandate, as well as the subsequent LWP for 2005⁵ adopted on January 26 2005.

¹ Christian Mejdahl's letter to the Speakers of EU parliaments can be found at the following address: http://www.eu-speakers.org/en/conferences/copenhagen/european_awareness/letter_251005/.

² According to article 2 of the Commissions Rules and Procedures, the (Commission shall) "in compliance with the political guidelines laid down by the President...establish its priorities and each year adopt its work programme."

³ COM (2005) 531: http://www.europa.eu.int/eur-lex/lex/LexUriServ/site/en/com/2005/com2005_0531en01.pdf

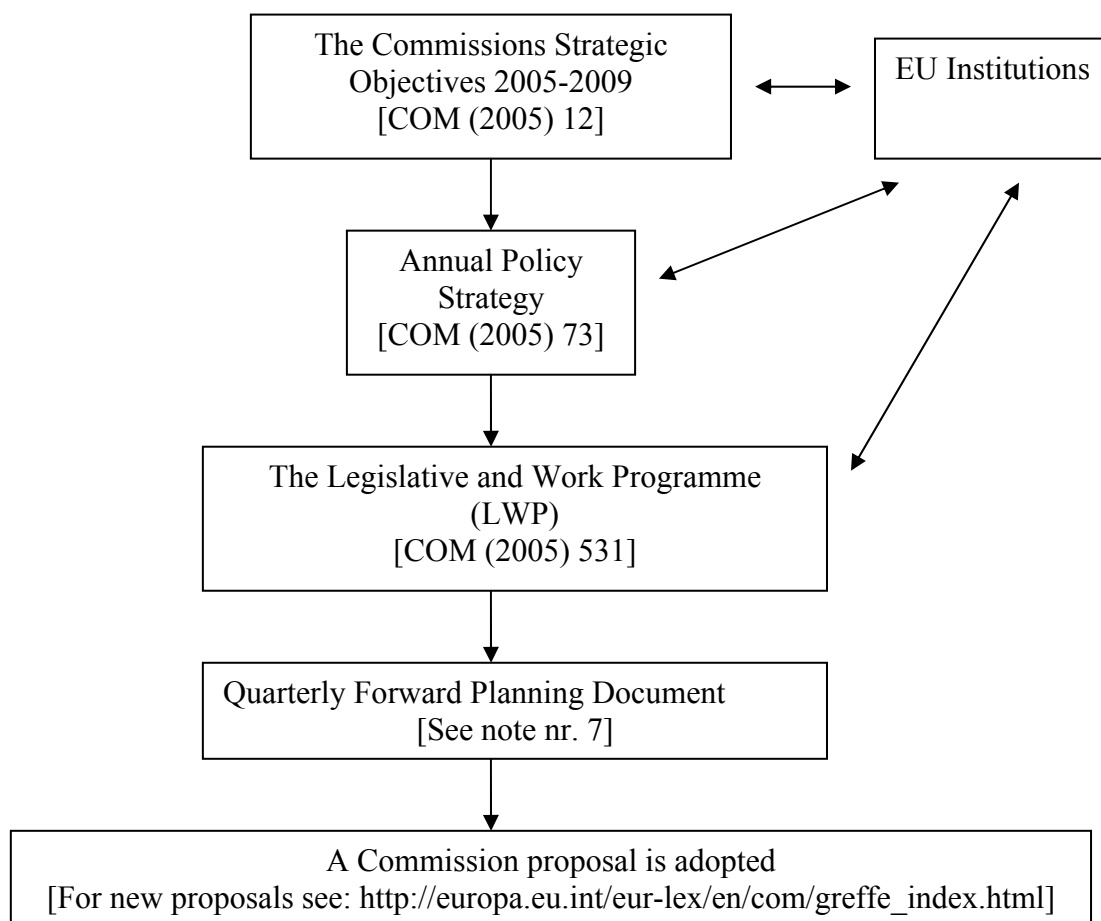
⁴ COM(2005) 12: http://www.europa.eu.int/eur-lex/lex/LexUriServ/site/en/com/2005/com2005_0012en01.pdf

⁵ COM(2005) 15: http://www.europa.eu.int/eur-lex/lex/LexUriServ/site/en/com/2005/com2005_0015en01.pdf

The LWP for 2006 is directly based on the Annual Policy Strategy for 2006⁶ which the Commission published on March 2, 2005. The Annual Policy Strategy can be considered an outline for the LWP, and is used by the Commission in its interinstitutional dialogue with EU institutions prior to the adoption of the LWP. The LWP translates the Annual Policy Strategy into policy objectives and an operational programme of decisions to be adopted by the Commission. Within the European Parliament the various standing committees have had a running dialog with the Commission based on the Annual Policy Strategy.

On an operational basis it should also be noted that the LWP will be monitored and updated in the so called Forward Planning Document⁷ which covers a three month period and is updated on a monthly basis. The Forward Planning Document is a useful tool which can be used to determine when a specific proposal will be adopted by the Commission. Caution, however, should be taken, as information contained in it is for informational purposes only, and in no way commits the Commission to action.

Schematic overview



⁶ COM (2005) 73: http://www.europa.eu.int/eur-lex/lex/LexUriServ/site/en/com/2005/com2005_0073en01.pdf

⁷ The three month planning tool can be accessed at the following address:
http://www.europa.eu.int/comm/off/work_programme/rolling_programme/agenda_planning_3_month_forecast.pdf

The LWP for 2006

In line with the Strategic Objectives and the LWP for 2005, the framework of the LWP 2006 is divided into four key strategic objectives: prosperity, solidarity, security and external responsibility. Through a brief introduction to these four policy areas, the Commission sets the tone for its specific policy proposals which are introduced in an annex that contains detailed information concerning individual legislative and non-legislative proposals which the Commission has deemed as priority items for adoption. The LWP for 2006 contains 96 proposals, 32 of which are legislative in nature.

In relation to the heading “Prosperity” the Commission argues that “stable regulatory systems, appropriate economic policies, the provision of economic opportunity, and investing in a skilled and entrepreneurial population” are essential in stimulating growth and in creating jobs. According to the Commission the key to the realisation of these goals will be the successful implementation of the revised Lisbon Strategy. Indeed the Commission states that 2006 will be a watershed year in the implementation of the Lisbon strategy, and thus the Commission will take it upon itself to step up its efforts in the monitoring and implementation of the revised strategy. To this end the Commission will submit a report to the Spring European Council on progress at national level with regards to the individual reform programmes adopted by the Member States.

Under the heading of “Prosperity”, the Commission has therefore proposed an array of proposals that will reinforce the Lisbon Strategy. Specifically legislative and non-legislative proposals in the field of research, education, transport, energy, taxation, mobility of workers as well as measures designed to revitalize the Single Market can be found under this heading.

The Commission argues under the heading “Solidarity” that Europe is faced with a number of challenges, including the protection of the environment, promoting a healthy society and building a society for future generations which can only be met through “concerted and determined action”. The Commission adds that effective policy in these areas is in line with the Lisbon Strategy for growth and jobs. Specifically legislative and non-legislative proposals in the field of the agriculture⁸, social and labour market, rural development, environment, alternative energy sources and energy efficiency, demographics and immigration, civil justice and cohesion are included under this heading.

The main theme under the heading “Security” is the fight against terrorism with direct references to the Madrid and London bombings. The Commission maintains that better coordination between Member States is essential in order to improve “the effectiveness of cross-boarder networking to tackle terrorism at its roots”. In addition to the fight against terror, this heading includes provisions encompassing the fight against organised crime, the security of external borders, improved judicial and police cooperation. The heading security also includes provisions designed to give enhanced protection to citizens in their *daily lives*. Thus this heading also includes proposals in the area of health, consumer protection as well as food and transport safety.

In the final heading of “External Responsibility” the Commission stresses that “Europe must do more than simply react to the external world: it must also contribute more proactively to shaping it”. Indeed the Commission hints that Europe cannot achieve its domestic goals of prosperity, solidarity and security without an external dimension. This heading contains legislative and non-legislative

⁸ The Commission will put forth legislation to reform the common market for bananas, fruit and vegetables and wine.

proposals dealing with African partnership, enlargement, the Neighbourhood Policy, the non-proliferation and disarmament of weapons of mass destruction, EU China policy, and external aspects of competitiveness.

In addition to the four above mentioned policy areas, there are four additional themes that underpin the LWP for 2006: the failure of the ratification process of the Constitution including the Commissions Plan D, the necessity to reach an agreement on the Financial Perspectives, the forthcoming Ministerial meeting in the WTO in Hong Kong, and the Better Regulation initiative.

It should be noted that in conjunction with the LWP for 2006 the Commission has also produced an indicative list⁹ of Commission actions expected to be adopted in 2006, which are deemed to fall outside the scope of the LWP. It is important to note that the indicative list contains an additional 295 non-legislative proposals and 182 legislative proposals, and should thus be considered when scrutinizing the LWP for 2006. Indeed prior Commissions included these indicative lists in their LWP, however the Barroso Commission chose to publish these actions separately.

The "Forward Planning Document" mentioned above takes full account of these indicative lists, and thus is not limited to the priority proposals as set out in the LWP. Finally it should be noted that the Commission can (and does) adopt draft legislation that is not mentioned in the LWP or appear on the indicative lists.

II. Debate in the European Parliament¹⁰

Presentation by the President of the Commission, José Manuel Barroso

President Barroso began his presentation of the LWP 2006 with a brief summation of the Commission's results for 2005. He began on a negative note referring to terror attacks, natural disasters, social uncertainty and the failure to ratify the Constitution and reach an agreement on the Financial Perspectives. However he countered, that these problems only serve to prove the relevance of Europe. Furthermore he added that Europe has indeed registered many successes in the past year, including but not limited to: the re-launch of the Lisbon strategy, the agreement on a revitalised Growth and Stability Pact, advances in the environment in the area of climate change, progress in the realization of the Hague-programme, the development of an African Strategy, strengthened ties with the USA and China and the decision to commence negotiations with Turkey and Croatia. In addition President Barroso referred to the agreement with the European Parliament on a new Framework agreement as an important step in the improvement of the political dialog with Parliament.

The President began his introduction of the LWP for 2006 by stating that the four objectives from the Commission's Strategic Objectives 2005-2009 are still relevant, and, as they are supported by the three institutions, should also form the framework of the current LWP.

With regards to "Prosperity" President Barroso highlighted the importance of the proper implementation of the Lisbon Strategy – and added that the Commission will be the "driving force" in its implementation. In addition he said that it was essential for Member States and Europe to

⁹ The Commission's Excel document can be downloaded from the EU Speakers Conference website: http://www.eu-speakers.org/en/conferences/copenhagen/european_awareness/

¹⁰ See annex 1 for further information concerning the procedure in the European Parliament.

coordinate their efforts with regards to investment in order to maximize growth. In closing he added that the creation of the European Institute for Technology (EIT) will be a priority as well as improving a favourable growth environment for small and medium sized companies.

Moving on to “Solidarity” President Barroso stressed that Europe should strive in 2006 to enhance solidarity between employers and employees, between the generations, between men and woman, and between the EU and developing countries.

On “Security” President Barroso maintained that Europe should continue its fight against terrorism and organised crime, but added that “value-added” in the areas are already apparent with reference to the European arrest warrant which expedited the extradition of a terror suspect from Italy to London following the London bombings. He continued by saying that during 2006 efforts to combat illegal immigration will be enacted, however he cautioned that illegal immigration should be seen in a greater context with reference for the need for a development policy which will address the problems in the countries of origin.

In terms of the “External” aspects of European Policy President Barroso demanded concrete results – especially in the areas of enlargement, association agreements, neighbourhood policy and the fight against poverty. He added that European ideals should be conveyed throughout the work – and as such Europe should play a role in the rebuilding of Afghanistan, Iraq and Palestine.

After President’s introduction of the themes in the LWP for 2006 he moved onto the current negotiations in the WTO. He pointed out the cost of failure in Hong Kong is high, not just for “...all trading nations, but also for the fair, rules-based international trading system we have worked so hard to create...”. He continued that it is important to maintain that the EU has nothing to feel ashamed of in the negotiations, as the offers (especially in the agriculture sector) already tabled by the Commissioner for Trade Peter Mandelson, are, according to President Barroso, far reaching. He added that “today Europe already has the most open agricultural market in the world”. However the President also stressed that the current round of negotiations should be looked at in its right context – specifically which it is about more than agriculture. He stressed that a balance must be reached between agriculture and trade in goods and services. Finally he offered that the EU will submit proposals prior to Hong Kong to ensure that the developmental aspects of the current round are not forgotten.

President Barroso summed up his intervention by stating that the most important topic for 2006 cannot be found in the LWP itself, but is rather the successful conclusion of negotiations for the Financial Perspective by the end of 2005. He added that whether or not the European Council can reach an agreement or not under UK Presidency will be a “test of whether Europe is on the move”. He asked “how can we deliver for our citizens on prosperity, solidarity and security without the means to achieve them?”

Interventions by Members of the European Parliament

In the subsequent debate the political groups expressed their views on the document. There was an overall support for the LWP, however each political group pointed to some aspects where the LWP could be more ambitious. The speakers generally underlined the good cooperation between the two institutions in the course of the preparations of the document (see annex 1). However *Maria Berger* (PES) blamed the Commission for not including her committee's proposals in the field of patent

legislation and services of general economic interest while *Joseph Daul* (EPP-ED), *Chairman of the Conference of Committee Chairs*, joined her by asking for an explanation from the Commission on why it disregarded the EP's specific proposals.

The debate focused on the following topics:

Prosperity: The Lisbon Strategy was the main focus in relation to prosperity. A number of speakers emphasised the need for action. The EPP-ED regarded the Lisbon Strategy as the right tool to transform discussions into action, and therefore concluded that the Commission's special attention to this area is understandable. The socialists on the other hand regretted that the Lisbon Strategy is not adequately represented in the Commission's paper. *Jan Anderson* claimed that 'growth' aspects received a disproportionately high attention at the expense of the social dimension of the strategy. He emphasised that the two pillars should be on an equal footing. *Margrietus van den Berg* added that the Commission should be far more ambitious if it wishes to boost the European economy. She argued that the means are at hand - stating that the Lisbon Strategy and the Stability and Growth Pact form a solid basis for development; however she added that the Commission must become a real leader in this process through the application of stricter legislation.

The PES group also found the Commission's efforts with regards to labour market inadequate. In their view the Commission, through the LWP, is attempting to regulate issues that are already well-regulated while not paying sufficient attention to the shortcomings already existing in the market. On the other hand *Csaba Óry* (EPP-ED) added that the regulation of the European labour market is still too bureaucratic, which imposes a huge burden on SMEs. He also emphasised that obstacles in the free movement of workers should be remedied in the future.

Tax harmonisation was also debated. In order to clarify the position of the Commission on its latest initiatives in the area *Hannes Swoboda* (PES) called on the Commission to appear before the European Parliament in order to debate the subject.

Concerning energy markets, the GUE/NGL characterized the renewal of talks on the possible significant role of nuclear energy in the future as "ridiculous".

Solidarity: In order to solve problems arising from the ageing of Europe, the EPP-ED group urged the Commission to table a proposal next year on the issue, in which it would take measures that favour families. In their view an effective family policy is the only effective means to tackle the ageing of the population in Europe. Nevertheless, *Elisabeth Lynne* (ALDE) cited the lack of proposals in the LWP aimed at elderly and disabled people. She added that measures to guarantee health and safety at the workplace are also lacking.

Concerning the sustainable management of resources, political groups expressed strong support in favour of the utilisation of alternative energy resources. The EPP-ED called on the Commission to take steps in order to enhance energy efficiency in the EU. In their view the Commission should promote the use of biofuel and introduce policies that promote a greater use of river transport. In closing this topic, *Hannes Swoboda* (PES) proposed that in order to provide for sufficient finances for sustainable energy, measures should be taken that would allow for a certain percentage of the profit of the industrial sector to be used for researching alternative energy resources. The UEN also called for the extended use of bio, wind and solar energies.

Security: Security issues were first raised by the liberals during the debate. As a general approach, and as a reaction to recent proposals, the ALDE stressed that civil rights and liberties should be respected whatever legislation is adopted at the EU-level. In addition *Diana Wallis* highlighted the contrast between criminal justice and civil justice. While the former, she said, has received due attention recently, there is still little development at the EU level in the latter area.

The situation in France was also mentioned several times in relation to security issues. The speakers agreed that the current upheaval in France is a sign of a deep crisis in the social system. *Alessandro Barrilocchio* (NI) established a direct link between solidarity and security. He stressed that they cannot exist without one-another and therefore security should be strengthened via the promotion of solidarity.

Europe in the world: This topic was the most extensively discussed subject of the debate. The EPP-ED drew the Commissions attention to the enhanced need for cooperation among the EU institutions. As the first speaker, *Françoise Grossetete* said that the lack of the Constitutional Treaty should only intensify efforts in this direction. The Commission was also asked to “open up” vis à vis the EP, and not deal solely with the Council.

Enlargement was another key topic addressed during the debate. The EPP-ED supported the idea of a strengthened neighbourhood policy, however the group speakers stressed that the pace of enlargement should not be a priority issue – they stressed that internal problems should be dealt with first, while enlargement should come second. The socialist *Hannes Swoboda* called on the Commission to report to the Parliament on the effects of the last round of enlargement. This report, he stated, could show the citizens of the EU 15 how much they, and indeed the entire EU benefited from enlargement. He continued by saying that it would be a useful means to counterbalance the one-sided populist information campaigns which blames enlargement for causing unemployment and tax competition. *Frank Vanhecke* (NI) interpreted the results of the referenda in France and The Netherlands as a clear signal on the rejection of enlargement. In this context he found the EU's approach on this issue as “controversial”.

The Greens' main message was to promote sustainability in Europe. In a broader context, they urged the Commission to implement an effective sustainable development strategy. In their opinion SMEs should play a key role in this regard since they form the basis for sustainable development. Investment should also be boosted in order to foster sustainability and a new set of concrete objectives, statistical targets should be nominated, the compliance with which would generate sustainable trends in economy.

Trade negotiations and the WTO were in focus as well. The socialists welcomed the Commission's balanced approach towards the negotiations at the up-coming Hong-Kong Ministerial meeting. The GUE/NGL on the other hand strongly opposed any compromises, while stating that in their view Europe needs "proper development", not the WTO. It was also stated by the UEN group that the implementation of the obligations deriving from the Doha round might place a greater burden on farmers, whom already have been promised on several occasions that their situation would not get any worse. Their speaker, *Brian Crowley* also warned that any other concession from the EU aimed at meeting WTO criteria would seriously risk sustainable development in the agricultural sector and perhaps even jeopardise food safety.

Better regulation: During the debate there was a general support for the Commission's on-going initiative "Better Regulation". The EPP-ED group called on the Commission to focus on the value-added when proposing legislation. They proposed that in the future each Commissioner should report back to the EP on his/her activity in this matter. They also warned the Commission not to use "comitology" excessively in order to meet the objectives under better regulation.

The socialists recalled that parliamentarians' often expressed concern over the Commission's quantitative approach towards better regulation. *Jan Andersson* stressed that better regulation does not necessarily mean less regulation. *Genowefa Grabowska* added that the Commission apparently focuses more on the procedure than on the content since it only cuts the number of the proposals, while extensive, more complex legislation is applied in other fields.

The liberals called for the rationalisation of EU legislation. They emphasised that efficiency should prevail in EU legislation.

The GUE/NGL was the only group that sharply criticised the approach of the Commission. Their speaker, *Roberto Musacchio* underlined that in his view the emphasis is not in the right place: he argued that there is a contrast between the Commission's statements on the need for simplification and the support given to the services directive.

Period of reflection, Plan D: The EPP-ED highlighted the wider context of the Programme. In their view the period of reflection and the Commission's reaction to the crisis, Plan D, are steps in the right direction. The LWP is another means in achieving the same objective. The socialist group also supported Plan D, however they thought that the implementation of Plan D should be more targeted to the needs of European citizens.

Financial perspective: The debate was characterized by all groups urging the Council to do everything necessary to achieve a consensus on the financial perspective by the end of the year. The overall message was that the LWP might become a paper without any relevance if a decision on the financial perspective is not reached. According to the MEPs the EP has done everything possible to secure a decision as soon as possible. Now it is the responsibility of the Council and of the UK Presidency to reach a deal at the European Council in December. It was also added by *Brian Crowley* (UEN) that another failure to reach agreement would substantially undermine the citizen's respect for Europe. He also remarked that it is a paradox that it is the new Member States which seem to be the driving force behind the financial perspective. At the same time *Esko Seppänen* (GUE/NGL) called on the Commission to produce, in the absence of a multi-annual financial planning, annual budgetary programs.

Subsidiarity: Some MEPs expressed criticism on the shortcomings of the LWP. On behalf of the EPP-ED, *Ingeborg Gräßle* said that she missed a clear context which would explain how the LWP would interlock with the system of the multi-annual planning and the presidency programs. She also added that the LWP should contain more references to the principle of subsidiarity and for the better involvement of national parliaments. *Anneli Jäätteenmäki* (ALDE) shared this view in her contribution. *Jens-Peter Bonde* (IND/DEM) urged the national and regional parliaments to scrutinize the entire LWP in relation to the principle of subsidiarity and proportionality. He continued by stating the "less is better" and that the EU should only legislate in areas where there are clear cross border problems where the national parliament cannot legislate effectively.

Structure of the LWP: Some MEPs commented on the structure of the document. *Malcolm Harbour* (EPP-ED), while welcoming the content of the LWP, strongly criticised the inconsistent structure of the document, which mixes up legislative and non-legislative proposals with no apparent connection between them. In his opinion the LWP reflects the fact that there is no proper cooperation among officials within the Commission. He called on the Commission to provide greater transparency regarding the work of the Commission.

Joseph Daul (EPP-ED) proposed that the Commission should add to the LWP a list of proposals that it intends to withdraw.

Reactions by the President of the Commission, José Manuel Barroso

President Barroso, referring to the views expressed in the debate, welcomed the positive remarks on the exemplary cooperation between the Parliament and the Commission during the preparation of the Programme. He declared that the 96 measures that make up the results of their cooperation, might be deemed as “too many” for some and “too few” for others, however he added that the objectives of the LWP are clear. In response to the wide-ranging proposals by MEPs, the President underlined the significance of the Strategic Objectives of the Commission for 2005-2009. He said that the 5-year program provides answers to many of the questions asked during the debate. He continued by stating that work in 2006 should focus on issues that are “achievable”. He called the LWP a realistic and objective set of proposals for which the Commission is ready to take responsibility.

On the Strategy for Sustainable Development he assured the Parliament that the Commission is devoted to reach development in the area of environment and climate change. The proposals submitted in December this year should leave no doubt about the Commissions intentions in this regard.

Concerning tax harmonisation Barroso indicated to the MEPs that the consensus of the Member States should be respected, and therefore the only realistic aim is to harmonise the tax-bases. This would not curb the freedom of national action, while it would decrease costs significantly.

Regarding research President Barroso emphasised the support of European universities in order to give them a world class “leading edge” in research, and thus enable them to contribute to growth and employment.

The President stressed that the decision of the Council should be respected when it comes to enlargement, as well. However he promised that the Commission will closely monitor the preparations in the candidate countries and will be strict in its evaluation.

Responding concerns on ageing Barroso informed the Parliament that the informal summit in Hampton Court called on the Commission to make proposals on how to tackle the current demographic situation.

On criticisms that the Commission does not represent the interest of European agriculture, Barroso said that quite the opposite is true: the Commission's position is not to play a defensive role during negotiations. He stressed that the EU has done enough in order to reach a compromise in

international trade talks, and he added that the Commission will not let other states force further liberalisation in the European market, which in his view is already the most open in the world. Reacting to a question on the rights of children, Barroso said that Commissioner Frattini will table a set of proposals in March 2006 on the issue. He emphasised the need for better coordination in the field.

Finally the President supported the strengthening of economic governance. He said that economic reform and investments should take place in parallel, and a coordinated approach in Member States and the EU is needed in rationalising EU-spending. He also added that the EU's role has to be limited to the areas where a real added value is provided by community intervention.

The European Parliaments Resolution on the LWP

The European Parliament is scheduled to adopt a resolution on the LWP 2006 on December 14, 2005 in Strasbourg.

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Annex I: Procedure in the European Parliament

Rule 33 and ANNEX XIII of the European Parliament's Rules of Procedure define how the European Parliament interacts with regards to shaping the LWP. Rule 33 § 1 stipulates: "Parliament shall work together with the Commission and the Council to determine the legislative planning of the European Union."

According to annex 2 of ANNEX XIII of the Rules of Procedure during the course of this cooperation the Parliament adopts a resolution that contains the Parliament's opinion on the LWP. The resolution is sent to other EU institutions and to the national parliaments of member states. The European Parliament may consult the Commission and can express its opinion according to the following timetable:

February

The President and/or the Vice-President of the Commission presents the Annual Policy Strategy to the Conference of presidents



February-March

Political debate on the basis of the Annual Policy Strategy



Competent parliamentary committees and the relevant Members of the Commission shall conduct a regular bilateral dialogue throughout the year to assess the state of implementation. They report to the Conference of Committee Chairmen



The Conference of Committee Chairs holds regular exchange of view with the Vice-President of the Commission responsible for interinstitutional relations to assess the previous programme and discuss the future programme. They take stock of the results of the on-going bilateral dialogue between the parliamentary committees concerned and relevant Members of the Commission



September

The Conference of Committee Chairs submits a summary report to the Conference of Presidents which informs the Commission thereof.



November

President of the Commission shall present before Parliament the Commission's legislative and work programme for the following year



December

Political groups table their motions for resolution and the Parliament adopts its resolution.