

Outline of a possible *Reform Treaty*

1. The constitutional concept, which consisted in repealing all existing Treaties and replacing them by a single text called "Constitution", will be abandoned. The terminology used will reflect this change.
2. The *Reform Treaty* will be a Treaty amending the existing Treaties, as lastly amended by the Nice Treaty, following the classical method used previously for the Single European Act, the Maastricht Treaty, the Amsterdam Treaty and the Nice Treaty. The *Reform Treaty* will introduce, by way of amendment into the existing Treaties, the innovations resulting from the 2004 IGC, as set out in a detailed mandate for the IGC to be agreed at the European Council on 21-22 June. This mandate will provide the exclusive basis and framework for the IGC work.
3. The *Reform Treaty* will contain two substantive clauses amending respectively the *Treaty on the European Union (TEU)* and the *Treaty establishing the European Community (TEC)*. The *TEU* will keep its present name and the *TEC* will be called *Treaty on the Functioning of the EU*, the Union having a single legal personality. The word "Community" will throughout be replaced by the word "Union" and it will be stated that the two Treaties constitute the Treaties on which the Union is founded. Further clauses will contain the usual provisions on ratification and entry into force as well as transitional arrangements. Technical amendments to the *Euratom Treaty* and to the existing *Protocols* will be done via *Protocols* attached to the *Reform Treaty*.

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Amendments to the EU Treaty

4. Clause 1 of the *Reform Treaty* will contain the amendments to the present *TEU*. In the absence of indications to the contrary in the mandate to be agreed, the text of the existing Treaty will remain unchanged.
5. The *TEU* will be divided into 6 Titles: *Common Provisions (I)*, *Provisions on democratic principles (II)*, *Provisions on institutions (III)*, *Provisions on enhanced cooperation (IV)*, *General Provisions on the Union's External Action and Provisions on a Common Foreign and Security Policy (V)*, and *Final Provisions (VI)*, with amendments as agreed in the 2004 IGC. Titles I, IV, V and VI will follow the structure of the existing *TEU*, whilst the two other titles (II and III) are new. The mandate will take into account the concerns identified during the consultations with Member States.
6. Title I (*Common Provisions*) will contain, *inter alia*, provisions on the Union's values and objectives, on relations between the Union and the Member States, on fundamental principles concerning competences, on fundamental rights and on the suspension of rights of Member States.
7. Title II (*Democratic principles*) will contain provisions on democratic equality, representative democracy, participatory democracy and the citizens' initiative. It will also contain an Article on the enhanced role of national parliaments.

8. Title III (*Institutions*) will contain provisions on the institutions giving an overview of the institutional system and will set out the institutional modifications to the existing system. Some provisions (on ECB, Audit Court, advisory bodies and more detailed provisions) will be placed in the *Treaty on the Functioning of the Union*.

9. Title IV (*Enhanced cooperation*) will contain the provisions on enhanced cooperation (the detailed arrangements being placed in the *Treaty on the Functioning of the Union*).

10. Title V (*General Provisions on the Union's External Action and CFSP*) will contain, at the beginning, a Chapter on the general provisions applicable to the whole Union's external action and will be followed by the provisions on CFSP and ESDP.

11. Title VI (*Final Provisions*) will contain provisions on the legal personality of the Union, an Article regrouping the procedures for revising the Treaties (ordinary and simplified), the accession to the Union and the voluntary withdrawal from the Union, as well as the usual provisions on territorial scope, duration, ratification and authentic texts.

Amendments to the EC Treaty

12. Clause 2 of the *Reform Treaty* will contain the amendments to the present *TEC*, which will become the *Treaty on the Functioning of the Union*. The Union will replace and succeed the European Community.

13. Amendments will be inserted into the Treaty by way of specific modifications in the usual manner. They include the categories and areas of competences, the scope of qualified majority voting and of codecision, the distinction between legislative and non legislative acts, provisions on the Area of freedom, security and justice, the solidarity clause, the improvements to the governance of the euro, horizontal provisions such as the social clause, specific provisions on public services, space, energy, civil protection, humanitarian aid, public health, sport, tourism, administrative cooperation, financial provisions (own resources, multiannual financial framework, new budgetary procedure).

The mandate will spell out the various modifications in order to take into account the concerns identified during the consultations with Member States.

Protocols and the Euratom Treaty

14. New Protocols will be annexed to the existing Treaties (i.e. Protocol on the role of national Parliaments in the European Union, Protocol on the application of the principles of subsidiarity and proportionality, Protocol on the Euro group, Protocol on permanent structured cooperation in the field of defence and Protocol on the accession of the Union to the ECHR).

15. Protocols annexed to the *Reform Treaty* will amend the existing Protocols (including the deletion of 10 of them) and will make the necessary technical amendments to the *Euratom Treaty*.

P. M. Declarations annexed to the Final Act of the IGC.