

**CONFERENCE
OF THE REPRESENTATIVES OF THE
GOVERNMENTS
OF THE MEMBER STATES**

Brussels, 7 March 2000

CONFER 4722/00

LIMITE

INFORMATION NOTE

*Subject: IGC 2000: Contribution from the Danish Government:
– Basis for negotiations*

Delegations will find attached for information a document from the Danish Government concerning the Intergovernmental Conference on institutional reform.

INTERGOVERNMENTAL CONFERENCE 2000
BASIS FOR NEGOTIATIONS

THE AIM IS ENLARGEMENT OF THE EU

The EU is in the process of completing its most important task after the collapse of the Berlin Wall: creating a united Europe to pave the way for freedom, peace, welfare and secure living conditions for all European citizens.

It is essential to both Europe and Denmark that the EU succeeds. Stability and prosperity throughout Europe are a condition for security and welfare in all European countries, including Denmark.

In order for enlargement to succeed, both the applicant countries and the EU must prepare.

A major task rests with the applicant countries. Their institutions, legislation and economies must be adapted to enable them to assume the obligations of membership; for instance, as regards the internal market, state aid, protection of the environment and the working environment. It is therefore essential to continue the assistance to the enlargement process.

The EU, too, must do its homework. Today the EU consists of 15 Member States. During the coming years the enlargement will raise the number of Member States to 27 or more.

Consequently, the Intergovernmental Conference must focus on the adjustments in the Council, the Commission, the European Parliament, the Court of Justice and the Court of Auditors etc. that need to be addressed with a view to enlargement. We must resolve the issues not settled in Amsterdam.

The Intergovernmental Conference must be concluded in December 2000 to ensure that the EU itself will be in a position to welcome new members from the end of 2002. It is important to observe this time schedule.

The Danish Government was prepared to resolve the institutional issues already at the Intergovernmental Conference in 1996/1997. So, the Government's Basis for Negotiations from December 1995 is still a good basis for the negotiations. Thus, the following does not replace, but elaborates on that Basis for Negotiations.

The Danish opt-outs contained in the Edinburgh Decision and the Amsterdam Treaty are not up for negotiation at the Conference. They have been determined by referendum and can only be altered by the Danish population by a further referendum.

THE INSTITUTIONAL ISSUES

The Council

– The weighting of votes in the Council

A large majority of the future Member States are small and medium-sized countries. The internal balance of the Union will be somewhat altered if the present weighting of votes in the Council is maintained and carried on automatically. With 27 Member States, it would, for instance, be possible to muster a qualified majority in the Council which only represents about half of the population of the EU.

A solution to this issue therefore has to be found during the upcoming negotiations. The Danish Government will work to ensure that the balance between small, medium-sized and large countries is not altered. One solution could for example be that decisions should require not only a qualified majority in the Council of Ministers but a majority which also represents at least half the total population of the EU – a so-called double majority of both Member States and citizens.

The Danish Government finds that the threshold for the proportion of votes required for a qualified majority should be maintained around the current level.

– Qualified majority voting

Also after the enlargement, the EU must be able to work effectively. Extended use of qualified majority voting is therefore on the agenda of the Intergovernmental Conference. The Danish Government is prepared to discuss further areas where qualified majority voting can be applied (Pillar I). As in Amsterdam, Denmark is prepared to accept a shift to qualified majority voting in more areas than what was agreed at that point. The Government presented a concrete proposal to that effect concerning certain green taxes, see below. The Danish Government maintains this proposal.

Moreover, the Danish Government finds that the Intergovernmental Conference should carefully assess the specific Treaty provisions as well as parts of these provisions with a view to considering the possibility of transferring these provisions to qualified majority voting in whole or in part.

One example of how to split up specific Treaty provisions was presented by Denmark at the 1996/1997 Intergovernmental Conference. Denmark proposed that minimum rates for certain green taxes be subject to qualified majority voting. The taxes were to be included in an exhaustive list attached to the Treaty in the form of a protocol. The Danish Government maintains this proposal.

There are, however, Treaty provisions that in all circumstances must be subject to unanimity. These include inter alia the provisions on revision of the Treaty, other fundamental institutional provisions and the own resources system.

Each Member State shall also in the future be permitted to pursue its own policy with regard to distribution of income and maintain or improve social welfare benefits, cf. the declaration to this effect from the Edinburgh European Council.

The Commission

The Conference must confirm the principle of the protocol on institutions of the Treaty of Amsterdam: Each Member State must be represented in the Commission by one Commissioner. All Commissioners should be full members of the Commission and have one vote each when decisions are taken.

Enlargement will entail an increase in the number of Commissioners. The Government therefore finds that changes in the functioning of the Commission are called for. In this context, for instance, the Government supports the possibility of appointing more than two Vice Presidents of the Commission – as was also the case prior to the Maastricht Treaty.

It is important that the individual Commissioner can be held politically accountable for the administration of his or her portfolio. A revision of the Treaty provisions in this regard should respect the institutional balance and must not undermine the collective character of the Commission.

The Danish Government is also open to discussing proposals for adjusting the procedure for resignation and subsequent appointment of a new Commission in order to avoid the problems which arose in connection with the collective resignation of the Commission in 1999.

It is of utmost importance that the Commission should implement the programme of internal reform that it has put forward. The Danish Government has presented its own proposal for the renewal of the Commission on a previous occasion. It is important that the Commission should maintain the pace of reform. The Danish Government encourages the Commission to carry out the reforms as soon as possible – in parallel with the Intergovernmental Conference.

The European Parliament

In the areas that will move to qualified majority voting in the Council, the involvement of the European Parliament in the decision-making process needs to be decided. The Government will consider in each individual area whether simultaneous steps should be taken to shift to the co-decision procedure with the European Parliament. The overall result should not alter the balance between the institutions.

The limit of 700 Members of the European Parliament, imposed by the Amsterdam Treaty, must be implemented as enlargement proceeds. The Danish Government finds that the current principles for allocating the seats in the European Parliament should be maintained. In principle this can be ensured by making the same percentage reduction in the number of members from existing Member States, taking into consideration the need for appropriate representation of the smallest Member States.

The Court of Justice

To prepare for enlargement the Danish Government wishes to discuss the Treaty provisions concerning the Court of Justice and the Court of First Instance (e.g. the organisation, functioning, etc.). The workload of the Court of Justice and the Court of First Instance has been increasing in recent years and it is likely to increase further with the enlargement. The Danish Government is of the opinion that each Member State should have one judge in the Court of Justice and at least one judge in the Court of First Instance.

The Court of Auditors etc.

The Danish Government advocates consistent adjustments in the other institutions and bodies, including the Court of Auditors. All Member States should be represented in the Court of Auditors. It is important that the Court of Auditors works efficiently to ensure the correct and most responsible use of Community funds.

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PARALLEL DISCUSSIONS

European crisis management

Discussions about crisis management and the European defence dimension take place separately in parallel with the Intergovernmental Conference. It cannot be excluded, that these discussions could result in demands for Treaty amendments to reflect the agreement reached. The Danish Government will monitor carefully the developments in this area and will participate actively in all discussions to safeguard Danish interests and positions in the ongoing process – with due respect for Denmark's opt-out.

Charter of Fundamental Rights

Discussions about the Charter of Fundamental Rights will also take place separately from the Intergovernmental Conference. Denmark will play a constructive and active role in this work. It is important to demonstrate that the EU exists for the citizens and that they have rights in relation to the institutions of the EU. The contents of the Charter should express the fundamental freedoms and the human values we all share. The Danish Government holds the view that the Charter should be a political document.

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OTHER POTENTIAL ISSUES FOR DISCUSSION AT THE CONFERENCE

In accordance with the mandate of the Intergovernmental Conference the Portuguese Presidency will report to the European Council on the progress made in the Conference and may propose additional issues to be taken on the agenda. It follows from the Treaty that any Member State or the Commission may also submit proposals on other issues.

To the extent that other issues are added to the agenda the Danish Government will present its views on these issues to the European Affairs Committee of the Danish Parliament according to normal procedures. In the same manner, the Danish Government will elaborate on the above-mentioned positions as the Intergovernmental Conference progresses.

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The enlargement of the EU is the foundation for European stability and welfare in the 21st century. It is therefore important that the EU completes those of its own preparations that have to do with the institutions of the EU. This is the purpose of the Intergovernmental Conference.

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