

# Governance and Institutions: The Unrelenting Rise of the European Parliament

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## Introduction

The year 2013 was an interregnum for the EU between the feverish events of the eurozone crisis and the impending institutional changes of 2014, beginning with the European Parliament (EP) elections in May. By late 2012 it seemed as if the crisis, though far from over, had peaked. The rapidly deteriorating situation in Cyprus in early 2013 was the sting in the tail of the crisis, but it seemed to be atypical because of the vast amount of Russian money that had flowed into the island's banks (Gros, 2013). Bad though the situation was, especially for ordinary Cypriot bank depositors, it did not detract from a general feeling of relief among politicians, officials and pundits that the EU was over the worst. As European Council President Herman Van Rompuy remarked in the opening paragraph of his report on the European Council in 2013:

For Europe, 2013 was a year of 'in-between' – after the violence of the storm, but before the darkest clouds had cleared. [. . .] market tensions abated during the year, and we could safely say that the existential threats from the financial crisis were now firmly behind us. (Council of the European Union, 2014, p. 5)

Barring the unexpected, the next big development for the EU would be the institutional changes of 2014. In addition to a newly-elected EP, these would include a new Commission, a new President of the European Council and a new High Representative for Foreign Affairs and Security Policy/Vice-Commissioner. Ordinarily, routine institutional rearrangements, no matter how consequential, would not arouse much political interest more than 12 months beforehand. By mid-2013, however, Brussels was abuzz with speculation about the procedure for selecting the next Commission President and the implications of this for the nature of the Commission Presidency, the future of the Commission, and relations between the Commission, the EP and the European Council. Driving this speculation was the EP's determination to exploit seemingly minor modifications in the Lisbon Treaty.

The apparent demise of the eurozone crisis – or at least its passage from an acute to a chronic stage – and growing political attention to the institutional changes of 2014 may have given 2013 the appearance of an interregnum for the EU, but it hardly constituted an intermission. Far from slowing down, the pace of events – whether taking important legislative decisions or shoring up the wobbly edifice of economic and monetary union (EMU) – remained as rapid as ever before. In addition, difficult negotiations between the EP and the Council over the Multiannual Financial Framework (MFF) dragged on throughout the year. In all three areas – legislative decision-making, EMU reform (notably

by means of establishing a banking union<sup>1</sup>) and concluding the MFF – the EP was particularly assertive and effective. Institutionally, 2013 was clearly a year in which the EP once again outshone the Commission and successfully stood up to the Member States, as represented not only in the Council (constituting ordinary ministers) but also in the European Council (constituting national leaders).

For the first year since the onset of the crisis, the European Council reverted to a normal, non-crisis mode of operation. As Van Rompuy (2013, p. 1) remarked at the end of the May 2013 European Council, the meeting ‘was quite different from the crisis management meetings we have got used to’. Meetings of the Euro Summit in 2013 were also less frequent and less fraught than in previous years. A noteworthy development in 2013 was that the European Council adopted ‘rules for the organisation of the proceedings of the Euro Summits’, setting out how meetings were to be prepared, conducted and followed up. EU leaders adopted these rules in accordance with existing practices and treaty provisions, such as Article 12 of the Treaty on Stability, Co-ordination and Governance in the Economic and Monetary Union (the Fiscal Compact), dealing with the Euro Summit and the role of its President (European Council, 2013a).

As if to emphasize that 2013 may have been an interregnum but not an intermission, the EU once again expanded, with Croatia becoming the 28<sup>th</sup> Member State. As a small Member State (21<sup>st</sup> out of 28 in both population and gross domestic product), Croatia would hardly make a splash in the EU; it would be in neither the eurozone nor the Schengen area for some time to come. Yet Croatia’s accession illustrated the institutional challenges of enlargement, especially for the Commission.<sup>2</sup>

The EP, by contrast, took enlargement in its stride. Though Croatia’s accession generated a small influx of new Members of the European Parliament (MEPs), the EP would shrink slightly to 751 members following the 2014 elections, as mandated by the Lisbon Treaty. Whereas the vast majority of MEPs knew little and possibly cared less about the minutiae of parliamentary business, the EP’s leadership proved adept in 2013 at positioning the institution at the forefront of EU affairs, ranging from ‘ordinary’ budgetary and legislative matters to EMU reform, transatlantic relations, foreign and security policy, and other important activities. As noted in last year’s contribution, the EP owed its success in large part to the formidable leadership of President Martin Schulz (Dinan, 2013). Klaus Welle, the EP’s politically astute Secretary-General, was equally influential, only slightly behind the scenes, in advancing the institution’s interests and standing.

This contribution examines the EP’s success during the ‘in-between’ year of 2013 not only in setting the agenda for the selection of the next Commission President but also, due partly to wide-ranging reforms, in continuing to master the inherently complicated legislative process. First, however, the article reviews the institutional implications of Croatia’s accession.

## I. Croatia’s Accession

Compared to the formidable institutional impact of central and eastern enlargement in 2004–7, Croatia’s accession sent small but nonetheless significant ripples throughout the

<sup>1</sup> See Howarth and Quaglia’s contribution to this volume.

<sup>2</sup> On EU enlargement, see the contributions by Grabbe and Whitman and Juncos in this volume.

EU. Croatian became a new official language, bringing the total to 24, and raising translation and interpretation costs accordingly (European Commission, 2012). Croatian judges joined the Court of Justice and the General Court. Far from being burdensome, the appointment of an additional judge to each court would likely improve the courts' efficiency by reducing the workloads of the other judges, however slightly (Council of the European Union, 2012).

The addition of one more member to the European Council hardly mattered. The Council had long since lost the intimacy of its early days, when nine national leaders could engage in cozy fireside chats. Following successive rounds of enlargement and the European Council's growing political prominence, the institution has been dominated by the EU's most influential national leaders, coming from the largest Member States. Croatia's prime minister would not rock the boat.

Similarly, Croatia's impact on the Council was not profound: one more ministerial member; one more member of the Council preparatory committees. Croatia received seven votes in the Council, and the threshold for a qualified majority rose to 260 out of a total of 352 votes, cast by at least 15 countries. Croatia's small number of votes could make the difference between a qualified majority and a blocking minority on a key legislative proposal, but the outcome of Council decisions rarely hinged on such a small margin (Van Aken, 2012). In the event that a Member State requested verification that a qualified majority represented at least 62 per cent of the EU's population, the threshold in 2013 was around 315 million people out of a total of 508 million (Council of the European Union, 2013).

Croatia received an allocation of 12 seats in the EP. Elections for Croatia's MEPs took place on 14 April. The turnout was dismal – a mere 20.8 per cent of registered voters. This may have been due in part to the fact that EP elections would again take place in Croatia in May 2014, as part of the EU-wide elections for a new EP. On that occasion, Croatia's allocation of seats would fall to 11, in keeping with the reduction of the EP's size to 751 seats, under the terms of the Lisbon Treaty.

The Commission bore most of the institutional burden of Croatia's accession. The arrival of one more Commissioner was far more momentous for the Commission than was the arrival of one more minister in the Council or prime minister in the European Council. It was widely accepted that the Commission was already creaking under the weight of too many Commissioners, each of whom needed to have at least the appearance of a meaningful portfolio. Efforts to reduce the Commission's size to fewer members than there are Member States date back to the negotiations for the Amsterdam Treaty, in 1996–7. Following a breakthrough in the Nice Treaty of 2001 on reducing the Commission's size, the Lisbon Treaty provided that as of November 2014, with the formation of the first Commission following the entry into force of the Treaty, the Commission would consist of a number of members corresponding to two-thirds of the number of Member States, unless the European Council unanimously decided otherwise.

The European Council duly decided otherwise in May 2013: the Commission would continue to consist of a number of members equal to the number of Member States (European Council, 2013b). This was in line with the political agreements that the European Council reached in December 2008 and June 2009, noting the concerns of the Irish people with respect to the Lisbon Treaty and the Irish government's insistence, for the sake of holding (and winning) the second referendum on the Lisbon Treaty, on

continuing the practice of having one commissioner per Member State. The European Council's May 2013 decision facilitated the appointment of a Croatian commissioner.

One month earlier, on 25 April, Croatia named Neven Mimica, a government minister with considerable experience in EU affairs, as its Commissioner-designate. Commission President José Manuel Barroso accepted the nomination and identified consumer policy as the Commissioner-designate's portfolio. This would be hived off from the portfolio of health and consumer protection, much to the chagrin of the Commissioner holding that portfolio, Tonio Borg, from Malta. The EP's Internal Market and Consumer Protection Committee (IMCO), together with the Environment, Public Health and Food Safety Committee (ENVI), held hearings on Mimica's nomination on 4 June. Despite some grumbling from MEPs, especially in the European People's Party, about Mimica's answers to their questions, he sailed through the hearing. On 12 June, the EP voted overwhelmingly in support of his nomination (565 votes in favour, 64 against and 64 abstentions) (European Parliament, 2013a). This paved the way for the Council to appoint Mimica to the Commission, by common accord with Barroso. Mimica took up his post on 1 July, when Croatia acceded to the EU.

Having one more participant in the weekly meetings of the Commission may seem as innocuous as having one more national leader in the European Council. Whereas the leaders of less influential Member States tend to be unassuming in the European Council, Commissioners are far less deferential at meetings of the college. Moreover, a new commissioner means a new head of cabinet (private office) and deputy-head of cabinet, which in turn means another voice in the weekly meetings of the heads of cabinet and deputy-heads of cabinet. The overall effect is to slow down deliberations at the top of the Commission's decision-making structure, which are already on the slow side because of Barroso's preference for reaching consensus.

The arrival of an additional commissioner and an additional head and deputy-head of cabinet, the proliferation of separate portfolios, and the increasing number of directorates-general and services highlights the difficulty of co-ordinating the work of the college and of the Commission as a whole. Jacques Delors, the most successful President in the Commission's history, managed a college of 18 commissioners, which he frequently complained was far too large, by having Pascal Lamy, his head of cabinet, ride roughshod over other cabinet heads and play a powerful co-ordinating role. With many more commissioners and cabinets, and a President (Barroso) whose management style is more accommodating and less combative than Delors's, the Commission is undoubtedly unwieldy and less effective than it otherwise might be.

Under these circumstances, the role of the Secretariat-General is particularly important, and Catherine Day, while extremely competent, was hamstrung by the enormous demands on her time, a tendency to micromanage and the fallout from the resignation in October 2012 of Commissioner John Dalli after an anti-fraud inquiry linked him to an attempt to influence tobacco legislation. Nevertheless, Day instituted a number of changes in the Secretariat-General to improve co-ordination among commissioners, directorates-general and services, and to improve co-ordination during the entire policy-making process. Perhaps the most significant of these changes is an increase to seven in the number of units involved in policy co-ordination.

Speaking to the Dutch parliament in December 2013, Schulz, who emerged during the year as a leading contender to succeed Barroso as Commission President (see below),

voiced his dissatisfaction with the Commission's internal organization and suggested how he might change things in the Berlaymont:

We have 28 Commissioners, whose portfolios all too often overlap and collide. And each one of these 28 Commissioners wants their moment of glory. So they produce more directives and regulations. Thousands more pages of legislation. In a way that is increasingly difficult to coordinate efficiently. This has to stop! If we want to change the way the Union is run, the next President of the Commission must lead by example – and start with the Commission. He may not be able to reduce the number of Commissioners as foreseen by the Lisbon Treaty. [. . .] But he or she can decide to [. . .] cut the 33 Commission departments and concentrate on priorities. (Schulz, 2013a)

The European Council noted in its decision of May 2013 that:

In view of its effect on the functioning of the Commission, the European Council will review this decision well in advance of the appointment of the first Commission following the date of accession of the 30th Member State or the appointment of the Commission succeeding that due to take up its duties on 1 November 2014, whichever is earlier. (European Council, 2013b)

Implicit in the European Council's statement is that having 28 commissioners is detrimental to the Commission, and that a decision to reduce the Commission's size would be taken well before a new Commission is put in place in 2019. Presumably the European Council would decide on the Lisbon formula of a Commission corresponding to two-thirds of the number of Member States. Although the small Member States remain sensitive on the subject of the Commission's size, it is unlikely that one of them would veto such a decision. Nor is it likely that public opinion, even in Ireland, would strongly oppose such a development.

Apart from its impact on the college and on the institution's efficiency, the arrival of a new Member State upsets the Commission's recruitment and promotion system. Like any international organization, the Commission has to balance merit and national representation in the recruitment and promotion of officials. The Commission's recruitment targets with respect to Croatia were 149 officials at administrator level by July 2018, with one official at director-general level and three at director level. This may seem reasonable and fair, except to well-qualified officials from other Member States competing for these coveted positions.

## II. The Ever More Assertive EP

Schulz's outspokenness about the Commission was not unusual. As noted in last year's review, Schulz is a new breed of EP President (Dinan, 2013). Unlike his predecessors in that office, Schulz is not a figurehead. He does not hesitate to assert the interests of the EP or to castigate the Commission, the Council and the European Council. The contrast between Schulz's opening speeches at meetings of the European Council and the opening speeches of former EP Presidents is striking. So is the feeling of frustration on Schulz's part that, by virtue of being EP President, he is unable to participate in the European Council proper (he must leave after making an opening speech).

### *Lecturing the European Council*

This is what Schulz told the European Council in February 2013 about prospects for agreement on the MFF:

I would strongly urge you to take account of both the financial and the more fundamental issues raised by the EP. You all have a wealth of experience in dealing with your national parliaments, so you know only too well that you have to take [MEPs'] views seriously if you want their consent to your proposals. [The current proposal] will not secure the approval of the EP. (Schulz, 2013b)

Following the EP's rejection of the European Council's proposed MFF on 13 March, Schulz told the European Council the following day that:

This cannot have come as any surprise to you, because my fellow MEPs had set out their position in several resolutions [and because] at subsequent summits, I myself have repeatedly urged you to take the EP's priorities and red lines into account in your discussions. (Schulz, 2013c)

Six months later, with negotiations between the EP and the Council coming down to the wire, Schulz reminded the European Council that '[t]he EP showed that it was prepared to compromise when we accepted a lower budget for the forthcoming financial framework. Now it is up to the Council to fulfill its side of the bargain' (Schulz, 2013d).

Schulz was equally forthcoming in his criticism of the Council for its alleged tardiness and timorousness in shoring up EMU. 'The EP is extremely concerned at the delays in establishing a banking union,' he told the European Council in June 2013. Commenting on the ECOFIN agreement earlier that morning, 'after months of stalling tactics', on the resolution of failed banks, Schulz decried the ministers' 'lack of ambition' and warned that '[t]he Council can therefore look forward to tough negotiations with the EP, because we intend to make sure that no more banks have to be bailed out with taxpayer's money' (Schulz, 2013e). Schulz continued to inveigle against the finance ministers when addressing the European Council in December.

If the ECOFIN decisions become a reality, then the Banking Union will not only fail to have positive effects, it could even have negative ones. [. . .] If we were to implement the ECOFIN decisions on a banking union in this way, it [. . .] would be the biggest mistake yet in the resolution of the crisis. [. . .] A Banking Union is something which must either be done right or not done at all. The EP will therefore not support the ECOFIN decisions in this form. (Schulz, 2013f)

Even more impressive was Schulz's forthrightness in attacking the European Council directly for its alleged subversion of the Community method.

[MEPs] have a clear message which you should take with you into today's discussions [. . .] don't venture any further down the slippery slope towards intergovernmentalism! The Community method, as embodied in the relationship between the Community institutions, is not only more effective, it is also more democratic. [. . .] For some years now you have been taking an increasing number of legislative decisions at your level [. . .] and thus effectively reintroducing the unanimity principle. (Schulz, 2013c)

He returned to this theme when addressing the European Council in June:

[The EP] should like to remind you once again that under the Treaties the European Council does not have the right to propose legislation. It is not your task to issue the Commission with instructions regarding the form and content of legislative proposals. This arrogation of rights by the European Council is undermining the division of powers within the European Union and, by extension, undermining our European democracy. Let me address these remarks directly to you, President Barroso: it is the Commission's task to put forward legislative proposals. (Schulz, 2013e)

These lengthy quotations are interesting not only in their own right, but also because of Schulz's effort to change the way in which the next Commission President would be selected, as well as his undisguised interest in getting the job himself. Yet it is difficult to imagine that Schulz's unceasing criticism of national ministers won him many friends in the European Council. His forthrightness also alienated some members of his own Socialists and Democrats Group in the EP, and in the wider Party of European Socialists. Indeed, his partisan and unapologetically assertive style as President of the EP seemed to have ruffled feathers among parliamentarians of all persuasions.

#### *Selecting the Next Commission President*

Schulz's harsh words might come back to haunt him if, following the May 2014 elections, the Socialists and Democrats seek to build a coalition in the EP to advance Schulz's candidacy for the Commission Presidency. Even if Schulz won the support of an absolute majority of MEPs, would the European Council agree to nominate him for the job? The fact that a new selection procedure for the Commission President was even under consideration owed much to Schulz's assertiveness, and also to that of Klaus Welle, Secretary-General of the EP.

As Welle liked to point out in speeches that he gave in 2013, the Lisbon Treaty included a number of changes with respect to the selection of the Commission President. On the face of it, these changes were relatively small. They were intended to regularize the practice that had developed over the previous few years whereby the EP approved the European Council's nominee for Commission President. In 2004, for instance, the EP voted narrowly in favour of Barroso's appointment. In 2009, Barroso won greater support in the EP but only after he introduced a programme for the Commission's next term, at the behest of the EP.

Schulz and Welle exploited these relatively minor modifications in the Lisbon Treaty to build a case for an entirely new approach to selecting and electing the Commission President. As Welle mentioned in a speech in Brussels in September 2013:

[P]eople are now finding out – to their astonishment – that [. . .] the Lisbon Treaty has very much changed the legal basis for the process on how to get the Commission into office. First, the EP 'elects' – not simply 'approves' – the Commission President. Second, the European Council selects its nominee for President based on the outcome of the European elections. (Welle, 2013a)

As Welle gleefully pointed out in another speech, in June 2013:

This is complemented by [. . .] Declaration No. 11. [. . .] Nobody knows Declaration No. 11 [of the Lisbon Treaty]! Well, I have asked our Legal Service, they did not know Declaration

No. 11 either. [. . .] Declaration No. 11 [says] that the President[s] of the European Council and the European Parliament have to set up a mechanism to consult on which name is to be proposed for [Commission] President by the European Council. That is something that should happen between the European elections [. . .] of May [2014] and the European Council making the proposal at the end of June. [This is] very important [. . .] because it is [. . .] public recognition that the outcome of the European elections matters and that the different political forces in the EP have to express themselves about which one of the potential candidates could also have a parliamentary majority. (Welle, 2013b)

Welle was alluding to one aspect of what he called the ‘unused potential’ of the Lisbon Treaty. His explanation reveals why the EP is so successful at enhancing its institutional and political power. It was the EP’s President and Secretary-General, not the legal service, who appreciated the opportunity which the Lisbon Treaty presented to inject political competition into the selection of the Commission President, while in the process clipping the wings of the European Council, boosting the standing of the EP and possibly increasing voter interest (and therefore turnout) in the May 2014 elections.

The logical follow-on was for the European political parties to choose candidates for the Commission Presidency. By voting for the candidate of a particular European party in the EP election, a voter – regardless of the country in which he or she votes – would be voting as well for a particular candidate for Commission President. Schulz made it clear early in 2013 that he would be the candidate of the Party of European Socialists, though he would not officially secure the candidacy until a special congress took place in Rome in March 2014. Other European parties followed the Socialists’ lead and decided to select their own candidates for Commission President, also in early 2014.

The outcome of the May 2014 elections and the formation of the new Commission will undoubtedly form the centrepiece of the article on governance and institutions in next year’s *JCMS Annual Review*. What is important from the perspective of 2013 is how the EP set the agenda on this issue and, in the process, precipitated a showdown between the European Council and the EP over the choice of Barroso’s successor. German Chancellor Angela Merkel and other national leaders voiced their disagreement with the EP’s interpretation of the implications of the Lisbon Treaty changes. As a Christian Democrat, Merkel was an opponent of Schulz, a Social Democrat, though the Christian Democrats and the Social Democrats formed a grand coalition in Germany in December 2013. As a leading member of the European Council, Merkel did not like being told by the EP how the procedure for the selection of the next Commission President should unfold. Of course, no single member of the European Council is able to veto a nominee for Commission President as the European Council may decide the issue by a qualified majority vote.

Regardless of whether the EP’s position prevails, the EP’s interpretation of the Lisbon Treaty changes suggests an understanding of EU governance that is somewhat simplistic and at variance with the complexity of the EU system. Just as Schulz likened the EP’s opposition to the European Council’s proposed MFF to a national parliament’s opposition to a national government’s proposed budget, Welle compared European voters’ choice of Commission President among the candidates presented by the European political parties in the EP elections to national voters’ choice of national leaders among the candidates presented by national political parties in national elections. Inevitably, Welle took Germany as an example (Welle is German and the key national election within the EU in 2013 took place in Germany).



As he said in a speech in September 2013, the nomination by European political parties of candidates for Commission President

is a very important change because it means that voters [will] have an idea about who would lead the Commission depending on the outcome of the European elections. That is something which on [a] national level is absolutely normal. Let's take the elections in Germany [...] the big [questions are]: Should it be Merkel? Should it be Steinbrück? Who is going to get the Executive? [...] If from now on, also in the EU, voters could know in advance who the personal alternatives are [...] then we also would have a much higher degree of legitimacy. (Welle, 2013c)

Schulz was emphatic when he addressed the European Council in March 2013:

If we want a genuinely democratic European Union, one which has the ability to take effective action and which is accepted by ordinary people, then the Commission must be transformed into a proper European government which is elected by, and whose work is scrutinized by, the EP. (Schulz, 2013c)

Schulz and Welle were trying to appeal to voters, on the one hand, and to national leaders, on the other. Their strategy was to draw as close an analogy as possible between the unfamiliar EU system of governance and familiar national systems of governance. What could be simpler than to compare the EP to a national parliament, and to compare EP elections to national elections? In each case, elections result in the parliament (European or national) electing a leader (Commission President or chancellor/prime minister) to form the executive (Commission or government).

The problem is that the EU is markedly different from a national political system. The Commission has executive responsibilities, but is not analogous to a national government. The European Council plays a key governing role in the EU system, but is not the EU's government. The EP's legislative responsibilities resemble those of a national parliament, though the EP is not allowed to initiate legislation, among other differences. The EP's budgetary responsibilities are similar to those of a national parliament, and the EP is developing scrutiny powers similar to those of national parliaments. Still, the EP and other EU institutions are engaged in a system of governing and governance that defies easy categorization. For political purposes, however, it suits the EP to play down the EU's uniqueness and emphasize its ordinariness. In doing so, the EP aims to build popular support and legitimacy for the EU, while increasing its own power in the evolving EU political system.

### *Legislative Programming*

Another aspect of the Lisbon Treaty's 'unused potential', frequently mentioned by Welle throughout 2013, concerned a core EP activity: legislative decision-making. Welle was referring not to the decision-making process following the submission of a Commission proposal to the Council, the EP and national parliaments (in most cases involving the ordinary legislative procedure), but to legislative programming during the pre-proposal stage.

Following on from the question 'Who knows Declaration No. 11?', Welle liked to ask 'Who knows the phrase on programming in Article 17 of the Lisbon Treaty?' The article in question includes a seemingly innocuous sentence: '[The Commission] shall initiate the

Union's annual and multiannual programming with a view to achieving interinstitutional agreements'. According to Welle, the Commission is familiar with the first part of the sentence but 'doesn't want to know' the second part. In other words, the Commission is happy to draft its annual and multiannual programs for legislative proposals but is uninterested in doing so on the basis of interinstitutional agreements, if that is, in fact, what the Treaty calls for. Welle thinks that it does:

[I]t is not just that the Commission is invited to initiate [...] legislation. No. [The requirement] *to reach inter-institutional agreement* [...] means that we should have a consultative process, which should involve the two law-makers – the Council and the Parliament – to agree on the annual and on the multiannual legislative programme. (Welle, 2013b)

With the approval of the EP's Bureau, Welle reorganized the Presidency Directorate-General, giving the Deputy Secretary General special responsibility in the area of joint legislative programming. This was part of an effort to increase the EP's power by extending its legislative involvement from the post-proposal to the pre-proposal stage, thereby strengthening the EP's ability to influence the initiation of legislation, which is exclusively the Commission's prerogative. Welle was less interested in influencing the current Commission than in pressuring the next Commission to conclude interinstitutional agreements for legislative programming at the outset of its mandate. Such an outcome would significantly shift the interinstitutional balance in the legislative process in favour of the EP and the Council, to the detriment of the Commission.

An interinstitutional agreement on legislative programming, reached soon after the election of a new Parliament and formation of a new Commission, would undoubtedly expedite legislative decision-making early in the mandates of both institutions. Given the 2014 calendar – EP elections in May and the investiture of a new Commission in November (unless a showdown between the EP and the European Council delays the process) – little new legislation could be expected to pass before the end of 2014. Interinstitutional co-operation on legislative programming immediately after the investiture of the new Commission would help the Council Presidency in the first half of 2015 – the first full Presidency following the institutional changes – to be more productive in the legislative arena than the first full Presidencies following the turnover of the EP and the Commission usually are.

### III. The Ever More Effective EP

Regardless of whether it succeeds in framing the EP elections as elections for the EU executive or in influencing legislative programming, the EP is increasingly effective in the conduct of everyday business. Perhaps because the monthly trek between Brussels and Strasbourg is so expensive and detrimental to the EP's image, the EP's leadership is adept at improving efficiency in the institution itself. The EP has a relatively new unit dealing with cost and quality control, under the direct supervision of the Secretary-General. The purpose of this unit and a key objective of the Secretariat-General more broadly is to improve the allocation of resources, especially qualified staff assistance and reliable information, to MEPs.

Accordingly, the EP has undertaken various in-house improvements, small and large. For instance, it reorganized committee meetings and plenary sessions in order to make better use of the interpreters' precious time. Setting up a 'one-stop-shop' for MEPs was another small improvement. In February 2013, following a wide consultation among MEPs aimed at finding ways to help them navigate the EP's complex bureaucracy, the EP Bureau (leadership) asked the Secretary-General to set up a facility to provide administrative support and assistance to MEPs at one location. The staff of the one-stop-shop let MEPs know exactly 'who does what' in the EP's labyrinthine administration. In cases where administrative matters require the involvement of different Directorates-General or services, the one-stop-shop identifies the leading service to assume responsibility for overall co-ordination. The new service came into operation in early 2014 (European Parliament, 2013b).

More substantively, work continued in 2013 on an ambitious, long-term EP project called 'Mapping the Cost of Non-Europe, 2014–19'. Consciously echoing Commission and EP efforts in the mid-1980s to calculate the costs of not pursuing deeper market integration, the current 'Cost of Non-Europe' exercise aimed to quantify the potential efficiency gains from deeper integration in a number of policy fields advocated by the EP, such as the digital single market, defence procurement and energy. Not surprisingly, the EP's analysis suggested massive gains, with the EU economy being 'boosted by some €800 billion – or six per cent of current GDP – by such measures over time' (European Parliament Research Service, 2014). The purpose of the mapping exercise was not only to bolster the case for deeper integration, but also to shape the legislative agenda during the mandate of the next Commission. By means of the mapping exercise, 'Parliament, through its own work, has thus put itself in a position to be able to shape the [legislative] agenda for the coming five years' (Welle, 2014).

At the same time, the EP is trying to improve the quality of its participation in the legislative decision-making process in a number of novel ways. Influenced by the work of the United States General Accounting Office, the EP hopes to nudge the Court of Auditors toward conducting assessments of the impact of EU legislation and spending programmes rather than simply accounting for the expenditure of EU funds, with a view to using the assessments to shape the EP's input into the procedure of amending existing legislation that constitutes the majority of EU legislation. Along the same lines, in 2013 the Commission negotiated an agreement with the EU's advisory bodies – the Committee of the Regions and the Economic and Social Committee – to ensure better co-ordination of the work of the three institutions during the legislative process (the agreement was signed in February 2014). Such co-operation would allow EP rapporteurs and shadow-rapporteurs to draw on the results of assessments of the impact of European directives and programmes, carried out by the two committees in Member States, thereby improving the quality of the EP's input into the legislative procedure (European Economic and Social Committee, 2014).

In November 2013, the EP inaugurated the Directorate-General for Parliamentary Research Service (DG EPRS). The new DG brought together two existing units – the library and the unit responsible for conducting impact assessment of legislative proposals as well as 'Mapping the Cost of Non-Europe' – and a new unit, the Members' Research Service, modelled on the US Congressional Research Service. The research service aims primarily at providing MEPs with reliable information on a wide range of issues coming

before them in plenary sessions, especially in areas outside their areas of expertise and beyond the scope of their committee responsibilities. The combined output of the research service, the ‘Cost of Non-Europe’ exercise, and the impact assessments led the EP to claim that it

could be seen as the biggest Think Tank in Brussels. The Think Tank section of the Europarl website is a self-conscious reflection of this fact and it will continue to be developed along these lines – providing a major contribution to public debate. (European Parliament, 2013c)

As well as providing high-quality information to MEPs via the Research Service, the EP has been improving the level of expertise available to assist MEPs in the conduct of their core business: ‘politics and legislation’ (Welle, 2013b). This includes strengthening both the policy departments and the committee secretariats of the EP, notably those that acquired a heavier workload as a result of changes in the Lisbon Treaty and the onset of the eurozone crisis. For instance, the EP increased the size of the international trade committee secretariat from four to 12 officials, commensurate with the launch of the negotiations for the Transatlantic Trade and Investment Partnership. Similarly, the EP is trying to improve the quality of draft amendments by using the expertise of the lawyer-linguists in the legislative procedure rather than exclusively in finalizing legislative texts.

The legislative output of the EU accelerated at the end of 2013, in the run-up to the 2014 elections. In a resolution of 4 July 2013, the EP called among other things for action to complete the Commission’s current work programme before the end of the EP’s mandate, particularly with respect to the single market in services, the digital agenda and the internal market in energy, promising ‘to engage in intensive negotiation with the Council and Commission before the end of its mandate to complete as many dossiers as possible’ (European Parliament, 2013d). Schulz told the European Council forcefully in October that:

We need to identify the most important legislative files and work energetically to progress them. Hundreds of legislative procedures are due to be completed by the end of this electoral term. The European Parliament is willing and able to finish this work by May 2014. However, we consider it sensible to highlight a few particularly important projects. Priority must be given to addressing the creation of the banking union and adoption of the financial rules, economic policy governance including the social dimension, data protection, access to credit, and combating youth unemployment. [. . .] there must be an end to the stonewalling on some important legislative acts. (Schulz, 2013d)

The high legislative workload put the Lithuanian Council Presidency under considerable strain. During Lithuania’s six months in office (July–December 2013), the Council and the EP adopted 147 legal acts, including several highly complex pieces of legislation<sup>3</sup>. According to one assessment of Lithuania’s performance, the Presidency’s ‘overall success was only slightly marred by the haste with which a few agreements were negotiated’ (Piedrafita and Renman, 2014).

Concerns about the quality of decision-making went beyond possible pressure on the Council Presidency to complete the Commission’s annual and multiannual legislative

<sup>3</sup> See Vilpišauskas’s contribution to this volume.

programmes and extended to the widespread practice of reaching decisions during the first-reading stage of the co-decision procedure, through the use of informal Commission–Council–EP trilogues, a point raised in last year's *Annual Review* (Dinan, 2013). Although many MEPs grumbled that these trilogues are too opaque and powerful, and rob the EP of its right – and duty – to examine and debate legislative proposals openly and fully, the pressure of so many proposals in the legislative pipeline makes recourse to trilogues early in the decision-making process too attractive for the EP's leadership to resist. Thus the EP's leadership, on the one hand, is trying to improve the quality of expertise and information available to help ordinary MEPs make informed decisions about complex legislative proposals, while, on the other hand, is facilitating a practice that arguably denies ordinary MEPs the opportunity to become extensively involved in the legislative process.

Often unstated in this discussion is that many – perhaps most – MEPs are not that interested in legislating to begin with. The EP is doing everything possible to provide MEPs with a first-class service and extensive resources, but the quality of MEPs themselves is highly variable. MEPs in leadership positions – the President and Vice-Presidents, party group leaders, committee chairs and vice-chairs, rapporteurs and shadow-rapporteurs – are almost always extremely competent and committed to their work. The quality of MEPs is a function of how the institution is regarded by politicians and the public in the Member States, and the process of selecting candidates for EP elections, which varies among Member States but does not generally favour the selection of first-rate candidates. Much to its frustration, especially in the run-up to the 2014 elections, the EP's leadership is unable adequately to influence either of these factors.

## Conclusions

The eurozone crisis has been a wrenching experience for the EU. The fallout from it continued to have a profound impact on EU governance and institutions in 2013. The crisis turned the spotlight on the European Council, but other institutions were deeply affected as well. The European Semester, the main instrument of economic governance to emerge from the crisis, engaged the European Council, the Council, the Commission and the EP in an elaborate set of measures and procedures. It also further enmeshed the national and European levels of governance, through the intense involvement of national ministries and national parliaments.

Developments in EU governance and institutions in 2013 reflected the continuing impact of the eurozone crisis, as well as challenges such as the accession of another Member State, the quotidian demands of legislative decision-making and the perennial need for greater accountability and efficiency. Most striking was the ascendancy of the EP. Yet the rise of the EP is not new. Indeed, it is a recurring theme in the institutional history of the EU and of the Communities that preceded it (Rittberger, 2005). The EP owes its success over time to effective leadership, political opportunity (often because of treaty change) and the moral authority that comes from being the only directly-elected EU institution. In 2013, the EP had powerful leadership in the form of Schulz (its President) and Welle (its Secretary-General), and had political opportunity because of the 'unused potential' of the Lisbon Treaty. Schulz and Welle exploited a relatively minor treaty

change, and used the political authority that derives from direct elections to try to bring about a major institutional realignment in the EU – one that would further advance the EP's position.

At the very least, the EP's determination to alter the process by which the Commission President is selected, and the European political parties' plans to nominate candidates for the position, injected considerable excitement into EU politics, notably among those already interested in the subject. Whether that excitement would be infectious, spread more widely throughout the EU and result in a significantly higher turnout in the EP elections remained to be seen as 2013 came to a close.

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