



institut d'études européennes
UNIVERSITÉ DE MONTRÉAL • MCGILL
institute for european studies

**Allocution de S.E. Danièle Smadja,
Ambassadeur et Chef de la Délégation de la
Commission européenne au Canada**

Prononcée à l'occasion de

**la journée d'étude sur
*Les défis du gouvernement européen/
Challenges to European Governance***

**marquant l'inauguration
de l'Institut d'études européennes
(Université de Montréal-McGill University)**

Le 2 octobre 2000

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Monsieur Le Doyen*,
Co-Directors of the Institute,
Excellencies,
Distinguished Members of Faculty and guests,

It is truly an honour and a pleasure to be here today on the occasion of the launch of the Institute for European Studies, which is hosted jointly by McGill University and l'Université de Montréal.

As I said this morning, this is one of four such new Institutes across Canada whose establishment the European Commission is very proud to be supporting this year. I would therefore like to thank those here today – especially the Deans of the Faculties and the Co-Directors of the Institute – who had the vision to identify a potential for this exciting collaborative venture.

This ceremony is about a beginning and about a new exercise enriched by the collaborative efforts of two outstanding, dynamic universities. We are convinced that the Institute will contribute to a further understanding of the European Union and the processes of European integration.

I have been asked to focus more particularly on the institutional challenges which the EU is facing today as enlargement goes forward. But before I say a few words about our current internal reform and the ongoing inter-governmental conference, it may be worth recalling the challenges which enlargement itself presents. Ce faisant, le contexte des défis institutionnels et leur taille seront, je crois, plus clairs.

L'UE s'est élargie à plusieurs reprises dans le passé: de la Communauté économique européenne de 6 membres, elle est passée – à travers 4 vagues successives d'adhésion – à 15 Etats membres aujourd'hui. Elle est «rôdée», en quelque sorte, à ces exercices. Et pourtant, aujourd'hui le défi est extraordinaire et à nul autre élargissement pareil; 4 éléments pour illustrer mon propos :

- le nombre de candidats: 10 pays de l'Europe centrale et orientale (Pologne, Hongrie, République Tchèque, Slovaquie, Roumanie, Bulgarie, Slovénie, Lettonie, Estonie, Lituanie); 2 pays du Sud (Chypre et Malte); et, peut-être, la Turquie;
- la croissance de la population envisagée: de 370 millions, l'UE passera à 500 millions de citoyens;

* La version prononcée fait foi.

- le défi économique: outre la transition vers l'économie de marché que la plupart des pays candidats sont en train d'effectuer, notons qu'en moyenne, leur PNB *per capita* représente +/- 1/3 de celui des États membres actuels;
- Enfin, pour être bref, l'évolution de leur système politique en cours depuis la chute du mur de Berlin.

Cet élargissement, bien sûr, nous le préparons avec et dans les pays candidats et nous le soutenons par une stratégie de pré-adhésion qui touche, à travers une assistance financière massive, à de très nombreux domaines économiques, politiques et juridiques.

Cependant, une réalité s'est également imposée aux dirigeants européens: pour pouvoir «absorber» cette vague d'adhésions nouvelles, il ne suffit pas de préparer les pays candidats à l'UE. Il faut aussi préparer l'UE elle-même. Cette Union dont les institutions et les mécanismes de fonctionnement sont restés quasi inchangés depuis la fin des années 50 lorsqu'il y avait 6 pays membres. Force est de constater qu'elle a atteint, aujourd'hui, les limites de son efficacité avec 15 membres. Pour passer à 27 ou 28 membres, l'Union doit réformer certains de ses modes de faire. Et c'est le but que se sont fixés les gouvernements européens lorsqu'ils ont décidé de s'engager dans une Conférence Intergouvernementale, ouverte sous présidence portugaise en début d'année.

La taille de la Commission européenne, l'extension du vote à la majorité qualifiée au sein du Conseil des Ministres, la pondération des voix entre les différents États membres: voici les éléments principaux qui font l'objet des discussions actuelles dans le contexte de la réforme institutionnelle.

La Commission européenne: au fur et à mesure que l'Union s'est élargie, le nombre des Commissaires a grandi et ils sont au nombre de 20 actuellement (2 Commissaires pour chacun des 5 « grands » pays et 1 pour les autres). Aujourd'hui, la limite est plus ou moins atteinte au regard de l'efficacité du caractère collégial de la Commission et de l'allocation des portefeuilles de responsabilités des Commissaires. Or, si nous poursuivons sur la voie actuelle, l'élargissement aboutira à une Commission formée de 35 Commissaires. Déjà le Traité d'Amsterdam – marquant la dernière révision des traités de l'Union – indiquait qu'il fallait revoir cette question.

There are two options currently on the table. One is to maintain the principle that each Member State is represented in the Commission in Brussels, but to dispense with the custom that the larger Member States should be able to designate two (ie. one Commissioner per Member State). The other possibility would be to put a ceiling on the total number of Commissioners, so that in an enlarged EU not all Member States would designate a Commissioner. This would entail a new internal organisation of the Commission including a strengthening of the role of the President and/or a hierarchy among the different Commissioners.

Within the Council, the main issue is voting weights and procedures. Currently, in those areas where unanimity is not required, the general rule is what is known as “Qualified Majority Voting” (QMV) whereby each Member State is granted a certain number of votes, roughly reflecting its population, and a pre-defined threshold is required to pass a

decision. In simple terms, the effect is to allow controversial decisions to be blocked by three large countries or six or more smaller countries, or a suitable coalition of large and small. As the EU has expanded, two issues have come up.

Firstly, the number of votes has never been directly proportional to population size but rather deliberately skewed towards the smaller countries (initially in order to protect the rights of the Benelux countries in a Community with France, Italy and Germany). As the EU has expanded, most new members (except the UK and Spain) have been small or medium-sized countries. As a result, the relative numbers of small and large countries has significantly altered and it is now possible for countries representing a smaller proportion of the EU's total population (12.38%) to constitute a blocking minority. Without re-weighting, in an EU of 27 countries, it would be possible for barely 10% of the population to block a decision.

Paradoxically, depending on voting patterns, enlargement has also made it possible for countries representing a far smaller proportion of the EU population to push a decision through. When there were only 10 Member States in the early 1980s, there was no combination which would have allowed countries representing less than 70% of the Community total to adopt a decision by QMV. Now countries representing only 58% of the total EU population can muster a qualified majority.

So there are various issues involved, both in terms of ease of decision-making and also democratic representation. The Member States with the largest populations continue to accept the principle of an under-weighting of their voting rights. However, they consider that their under-representation would become excessive if enlargement took place without some changes to voting weights or procedures.

Broadly speaking, the two solutions which are under discussion are to re-weight votes somewhat in favour of larger Member States, or – alternatively – to institute a system called “double majority”, so that decisions could be taken by a defined majority of countries, provided that they also represented a defined majority of the total EU population.

The other key area which is under review is the **extension of majority voting** into areas where unanimity is currently required. The general principle that enlargement makes it necessary to extend majority voting is accepted by all Member States. By definition, unanimity will become more difficult to achieve when the EU is enlarged, particularly when it grows to 27 members. The European Commission would therefore favour making QMV the general rule, with very few exceptions for issues which are truly fundamental or felt to be extremely sensitive politically.

Linked to the extension of QMV in the Council is the issue of ensuring that the **powers of the European Parliament keep pace**. The European Commission's preference would be that, in all areas where QMV is applied, the Council and the Parliament should follow the Co-Decision procedure. This is currently applied in many, but not all, areas where the Council works by QMV. In layman's terms, Co-Decision entails an increase in the powers of the Parliament relative to those of the Council. Under Co-Decision, the Parliament

cannot force through legislation against the will of the Council but conversely it does have the ultimate sanction of blocking legislation with which it does not agree. Many are those who today criticise the EU for its democratic deficit. Giving more powers in the legislative process to the European Parliament would be a way to ensure that the only directly elected institution within the EU has increased powers in an EU increased population context. Whether or not to extend Co-decision systematically is still an open question in the Inter-Governmental Conference.

I would also like to address briefly another key issue which is on the table of the IGC and was not foreseen at the beginning: the question of “**flexibility**” or “**closer co-operation**” – that is, how to ensure that those Member States that wish to do so can go further along the road to integration, without instituting a two-tier (or multi-tier!) EU. It is particularly important that such flexibility should not undermine important aspects of the *acquis*, for instance by distorting competition within the internal market. This principle has already been enshrined in general terms in the Amsterdam Treaty but is being further examined in the current talks. The way these “closer co-operations” are going to be developed, is definitely going to impact on the European governance. They will shape the Union of tomorrow.

The IGC is now entering its final phases and, as in any complex negotiation, when there are many issues on the table there is always an end-game with multiple and often unpredictable trade-offs. For this reason, I have limited myself for the most part to identifying the main issues which are under consideration. I have deliberately avoided trying to give you a sense of how we expect the new European Union to emerge. This is a matter for the Governments who are the High Contracting Parties, even though the European Commission – as guardian of the Treaties and of the common interest – has a major stake.

Having said that, I do very much hope that the Heads of State and Government will bring their wisdom and vision to bear, so that short-term interests do not excessively limit what is necessary for the long-term health of the EU. It is to be hoped that this Treaty revision will serve to bring the EU closer to its citizens in terms of openness and transparency. It is also vital for the future of the EU that it successfully lays the foundations for enlargement, by putting in place a framework which will allow the EU to function properly when it has 27 or more members in just a few years.

As you see, the success of the Inter-Governmental Conference is vital for the success of enlargement. And enlargement to bring the Central European countries and others into the EU is the EU’s single most important political objective for the new century. It is an historic undertaking and we must rise to its challenges, and this includes making a success of our institutional reforms.

The European integration process is therefore throwing up so many challenges, that the new Institute of European Studies will indeed have an impressive field of work. The theme of this inauguration programme: “Challenges for European governance” is quite indicative of the relevance of those issues for both sides of the Atlantic, not only because of the many links between Canada and Europe but also because they raise profound ques-

tions about governance; about the relationship between citizens and governments; about the relationship between national and sub-national entities; about the limitations of sovereignty and the role of the nation-state. These debates are essential for all countries in the modern world.

It is therefore our hope that this Institute will be able to improve understanding of what is happening in Europe for the benefit of a new generation of students and scholars at both Universities.

To conclude, let me answer the following question: Why is this undertaking so important to us in the European Commission? One reason is that, as already mentioned, the European Union is evolving, and so is Canada.

Although I am convinced that both the European Union and Canada are heading towards the better, I also believe that it would be foolish not to take active steps to ensure that as we evolve we each retain a solid understanding of what makes the other “tick”.

The other reason is that Universities are by definition the home of future generations and as such they have a critical role to play in fostering links and in contributing to international relations.

As I said this morning, the role of this Institute has therefore to be seen not only in terms of academic excellence and innovation, but also in strategic terms of contributing to the long-term health of EU-Canada relations. In helping to create this Institute, we are in fact looking for a local champion who can make a positive contribution to bilateral relations between Canada and the EU, no more, no less.

I would like to reiterate the thanks I formulated this morning: thank you for taking up the daunting challenge I have described. Thank you for the motivation, energy and dynamism you are putting in this project. Best wishes for every success and a long life to the Institute for European Studies.

Thank you for your attention.