

## Current state of the European Union

Statement

adopted by the Central Council (Amsterdam - June 2004)

The Central Council of the European League for Economic Cooperation, meeting in Amsterdam on 11th June 2004, conducted an in-depth examination of the current state of the European Union. It concluded that while some breaks in the clouds have appeared in the European sky following the shock wave of the terrorist attacks in Madrid, the path to be taken by the Union over the next few months remains punctuated by deadlines and major challenges. To face up to these, the Central Council is of the opinion:

- ◇ that a political agreement on the **draft Constitution** remains a desirable goal for the European Summit meeting on June 17/18, but should in no case be reached to the detriment of the effective governance of the Union and of progress towards its deepening. The Central Council remarks that the compromise text obtained by the Convention represented an acceptable but necessary minimum step, though including important advances such as the voting procedure in the Council with a double majority of countries and populations, extension of the decisions to be taken by a qualified majority, the strengthening of the role of the European Parliament, the reaffirming of the principles of enhanced cooperation, as well as the election of the Council President for two and a half years and the designation of a European minister of foreign affairs.  
However, the latest preparatory meetings for the European Council have revealed growing risks of backing away from the Convention's draft (extending the domain of unanimity voting, for example, in matters of foreign and security policy, the coordination of economic policies or multiannual financial prospects), thereby creating a danger of breaking with a balance that was hard to achieve (the most obvious example of which is the way countries are represented within the various institutions of the Union). They also bring with them the threat of regress vis-à-vis the existing treaties (for example in the area of trade and energy policy). In those conditions, every attempt should be made to ensure that new concessions or calling into question of the initial draft do not reinforce the arguments of those in favour of simply rejecting the Constitution;
- ◇ that for this **Constitution to be adopted**, it would be preferable - if a majority of countries were in favour of a referendum - that the same question be posed on the same day in those countries to all of their citizens. Furthermore, to avoid that the negative vote of a single country or small minority of countries should prevent the Constitution from coming into effect in all of the other countries after a reasonable period of time, it is essential that a solution be found for the adoption and implementation of this Constitution, in the event that not all states would ratify it, for instance by considering that the Constitution comes into force from the moment it is approved by an important majority of countries, or - following the proposal made by the Vice-President of the Convention Mr. Amato - through the conclusion by the countries having approved it of a new treaty with the same contents;
- ◇ that given the insufficiencies that are already evident in the current draft, particularly in the area of the working of the institutions and effective decision-making procedures, a **fresh examination of the text** by a new Convention is required before the 2009 elections, which examination will take into account the experiences made and the evolution of objectives over the coming years.

- ◇ The Central Council also believes that in the field of **economic governance**, there is an urgent need to remedy the Union's deficit, especially in the eurozone within the Union. The issue is not to withdraw economic policies from national responsibilities, but to ensure that the common interest, which these policies must embody, is more effectively and visibly taken into account. To this end, in its Cahier Boël n°11, ELEC has just published concrete proposals designed, among other things, to strengthen the authority of the Commission and of the Eurogroup, as well as to adapt the "Stability and Growth Pact" to changing circumstances, thus making sure that budgetary discipline is based not only on renewed national commitments, but also on a proactive joint decision-making capability.
  
- ◇ Concerning the **elections for the European Parliament** and the need to mobilise for them a sufficient number of voters and make them politically significant, the Central Council deplores the fact that they were not conducted on genuine European issues and have focused instead on national preoccupations or struggles in spite of the discovery by electors of the growing role of this Parliament. In this respect ELEC considers that the duty of informing on this subject and on EU affairs falls upon not only Community institutions but also political authorities and the press in each member state. As for itself it shall keep actively contributing to this task with the help of its national sections.  
The Central Council asks moreover that, in view of the experience just made in the elections that took place between the 10th and the 13th of June 2004, such elections should in the future be held on the same day in all of the countries of the European Union.
  
- ◇ As far as the **Union budget** is concerned, the Central Council is of the opinion that the enlarged Union should be given the resources required for policies of solidarity, particularly vis-à-vis new member countries. This implies that the financial perspectives that will be discussed from next November with the new Commission will be capable of reconciling the expectations of countries in the areas of the common agricultural policy and regional solidarity, with priorities for, among others, infrastructure or environmental equipment, as well as the investment needed in the area of research, defense, security and the revival of the "Lisbon Strategy". The European Parliament shall, in this context, assume a particular responsibility.
  
- ◇ Finally, the Central Council wishes that the **completion of the enlarged economic Union** be free of unfounded fears concerning immigration within the EU and of measures excessively restrictive of population movements, and that it go hand in hand with progress in the sectors of defense and foreign policy, such as to give the European Union a greater capacity to assert its role in the World.

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