European Union (EU)

EU Institutions

- **European Council**
  - *Structure*
    - Acts as the EU’s **collective presidency**. Meets ~4 times annually
    - **National leaders** (heads of state/heads of government) represent each Member State
    - President of the European Council is selected by the other representatives in the Council
  - *Power*
    - **Sets the EU’s policy agenda**, amends the EU treaties as needed, and resolves policy disputes, but **lacks formal legislative power**
    - **Appoints the President of the European Commission and the President of the European Central Bank**
    - Confirms nominated members of the European Commission
- **European Commission**
  - *Structure*
    - **Each nation** is entitled to **one seat** in the European Commission; each Commissioner is responsible for one particular policy area (e.g. agriculture, fishing, etc). The **President of the European Commission** has the power to delegate policy areas to Commissioners within the EC
    - European Council appoints the President of the European Commission, who then reviews a list of approved candidates from each nation and
    - The European Parliament and European Council must then approve these nominations through a “qualified majority.” Commissioners **represent EU interests**, not national interests
  - *Power*
    - Acts as the *de facto* executive body of the EU. **Proposes legislation** and **monitors the enforcement of binding EU legislation** within national governments
    - The European Commission also **designs/plans the EU’s budget**, which is **subject to approval** by the Council of the European Union and the European Parliament
- **European Parliament**
  - *Structure*
    - Members of the European Parliament (MEPs) are **directly elected** every five years within each EU Member State on the basis of proportional representation

        - Nations are given power in the European Parliament in **rough proportion to their population**. Once elected, MEPs organize themselves by **political affiliation**, not by nationality
    - *Power*
        - The European Parliament does **not initiate legislation**; all legislation must first come from the European Commission (EC). However, the European Parliament has joint power with the Council of the EU to **vote on proposed legislation**
        - The European Parliament **approves nominations** for the European Commission (including the President of the Commission)
- **Council of the European Union**
    - *Structure*
        - **National ministers** represent governments in the Council of the EU. Different ministers are responsible for evaluating different laws based on the subject area involved (e.g. finance ministers might be involved when debating proposed legislation pertaining to the economy)
    - *Power*
        - The Council of the EU is the "upper house" of the EU's legislative body, and **passes laws** in conjunction with the **European Parliament**
- **Court of Justice of the European Union**
    - The Court of Justice of the European Union (CJEU) **interprets EU law** to make sure it is applied in the same way in all EU countries, and settles legal disputes between national governments and EU institutions. It can also, in certain circumstances, be used by individuals, companies or organizations to **take action against an EU institution**, if they feel it has **infringed upon their rights**.
    - The CJEU consists of three distinct judicial entities:
        - 1) **European Court of Justice**
            - The Court ensures that EU law is followed, and that the Treaties are correctly interpreted and applied: it reviews the legality of the acts of the EU institutions, ensures that EU countries comply with their obligations under the Treaties, and interprets EU law at the request of national courts
        - 2) **General Court**
            - Acts as the initial "trial court" for legal disputes within the EU. Decisions can be appealed to the ECJ
        - 3) **Civil Service Tribunal**
            - Resolves legal disputes between the EU and members of the European civil service. In rare and exceptional cases, the ECJ can hear these cases, too
- **European Central Bank**

    - **Of the 28 EU members, only 19 are in the eurozone. In practice, only those 19 members provide input to ECB leadership. The UK was never in the eurozone, and instead uses the GBP (pound sterling)
    - *Structure*
        - All members are appointed by the European Council by qualified majority for a non-renewable eight-year term
    - *Power*
        - The primary objective of the ECB is to **maintain price stability and keep inflation low**
        - Members of the ECB's Executive Board are obligated to act in the **best interests of the Eurozone** as a whole, not for the benefit of any particular Member State or region
        - Other EU institutions and the national governments of the Member States are bound by treaty to **respect the independence of the ECB**

EU Competences

- The EU has **competence**, or authority, to pass binding legislation if three criteria are met:
    - 1) **Conferral** — the EU has only that authority conferred upon it by the EU treaties, which have been ratified by all member countries
    - 2) **Proportionality** — the EU action cannot exceed what is necessary to achieve the objectives of the treaties
    - 3) **Subsidiarity** — in areas where either the EU or national governments can act, the EU may intervene only if it can act more effectively
- The EU has <u>**exclusive competence**</u> over a few realms. This means that the EU alone is able to pass laws and member states are *not* allowed:
    - **Customs union**
    - **Competition rules** for the single market
    - **Monetary policy** for the eurozone countries
    - **Trade** and **international agreements****
        - **Only if the trade/agreement in question affects the entirety of the EU and must be negotiated and ratified by the EU Commission, rather than individual member states
    - Marine plants and animals regulated by the **common fisheries policy**
- The EU has <u>**shared competence**</u> with national governments in a few areas. This means that both the EU and member countries are able to pass laws, but member countries can only do so if the EU has not already proposed laws or has decided that it will not:
    - Single market; economic, social and territorial cohesion; consumer protection; trans-European networks and transport; energy; research and space travel/exploration; agriculture, fisheries, environment
    - Employment and social affairs within the confines of the TFEU (Treaty on the Functioning of the European Union), which aims to "promote employment,

        improve living and working conditions, provide adequate social protection and combat social exclusion;" development cooperation and humanitarian aid
    - Justice and fundamental rights; migration and home affairs; public health (for the aspects defined in Article 168, TFEU)
- In certain areas, the EU has **supporting competence**, which means that the EU can only support, coordinate or complement the actions of member countries, but lacks the power to pass laws and may not interfere with member countries' ability to do so: public health (Cf EUDC 2021 Open Final OO/CG), industry, culture, tourism, education and training, youth and sport, civil protection, and administrative cooperation

EU Voting

- **Qualified majority voting** requires 55% of votes from representatives and 65% of votes from the EU electorate
- **Unanimity voting** requires complete agreement amongst representatives. Within the European Commission, this is generally limited to a few types of matters:
    - **Common foreign and security policy** (with the exception of certain clearly defined cases which require qualified majority, e.g. appointment of a special representative)
        - The EU's **Common Security and Defense Policy** (CSDP) provides the European Union with an operational capacity to **deploy civilian and military missions** and operations abroad. The range of tasks is set out in the EU Treaties, ranging from **conflict prevention** and **peace-keeping**, crisis management, joint disarmament operations, and military advice and assistance tasks to humanitarian and rescue and post-conflict stabilization tasks. The first EU missions were launched in 2003, including the **EU's policing mission in Bosnia and Herzegovina** and a **military operation in North Macedonia**. Since then, the EU has launched and run **36 operations and missions on three continents**. As of today, there are 17 ongoing CSDP missions and operations, of which 11 are civilian and 6 military
    - Citizenship (the granting of new rights to EU citizens)
    - **EU membership**
    - Harmonization of national legislation on indirect taxation, including the EU's VAT (value added tax)
    - EU finances (own resources, the multiannual financial framework)
    - certain provisions in the field of justice and home affairs (the European prosecutor, family law, operational police cooperation, etc.)
    - Harmonization of national legislation in the field of social security and social protection

EU Enlargement

- In order for a country to become part of the EU, the same must meet all the 'Copenhagen Criteria.' The main criteria are the **free-market economy**, a **stable democracy** and the **rule of law**, and the **acceptance of all EU legislation**, including the **euro**. Political criteria are the most important: these include having universal suffrage, free elections and a free press, an independent judiciary, and protections for minorities. Applicant nations must join and ratify the European Convention on Human Rights
- The regular procedure for EU membership consists of three stages:
    - 1) The first stage is when a country is granted the **status of an official candidate** for membership. Currently, this includes Albania, North Macedonia, Montenegro, Turkey, and Serbia
        - **Albania** applied for EU membership in April 2009 and received the candidate status in June 2014
        - **North Macedonia** was declared a candidate country in December 2005. In 2015/2016, the EU Commission's recommendation to open ascension negotiations was made conditional on the continued implementation of the **Pržino agreement** (negotiated deal between the EU and North Macedonia, which called for opposition parties like SDSM to be allowed to participate in future elections, for a caretaker government to be implemented followed by a round of new general elections, and for the corrupt PM Nikola Gruevski to step down)
        - **Montenegro** submitted the application for EU membership in December 2008, and was granted in December 2010
        - **Turkey** was declared a candidate country in December 1999. Negotiation talks were opened in October 2005. Technical discussions are on-going in areas such as water, waste, nature protection or horizontal legislation
        - **Serbia** applied for the candidate country status in December 2009; this was granted in March 2012
    - 2) The second stage is when membership negotiations between the EU and the candidate country start, which is a process that **includes the adoption of EU law into national law** (which is what drags the ascension process out for years upon years) and the preparation for the implementation of this law in judicial, administrative, economic areas, as well as other reforms. **All current EU member states must agree to the treaty that permits new members to join!**
    - 3) The third stage is when the candidate country has met all accession criteria and is ready to become part of the EU
- EU expansionism in the Balkans
    - The **Stabilization and Association Process** (SAP) is the European Union's policy towards the Western Balkans, established with the aim of eventual EU membership. Western Balkan countries are involved in a progressive partnership

with a view of **stabilizing the region and establishing a free-trade area**. The SAP sets out common political and economic goals although progress evaluation is based on countries' own merits

- Since 2000, the EU has been granting **autonomous trade preferences** to all the Western Balkans. These preferences, which were renewed at the end of 2020, allow **nearly all exports to enter the EU without customs duties or limits on quantities**. Only sugar, wine, baby beef and certain fisheries products enter the EU under preferential tariff quotas
- Since the launch of the Stabilization and Association Process, the EU has **progressively concluded bilateral FTAs**, referred to as "**Stabilization and Association Agreements**" (SAAs) with each of the Western Balkan partners: **Albania** (2009), **North Macedonia** (2004), **Montenegro** (2010), **Serbia** (2013), **Bosnia and Herzegovina** (2015) and **Kosovo** (2016)
- The SAAs are tools which provide for the **economic development and political stabilization** of the countries in the region, and for the creation of a close, long-term association between the EU and the Western Balkans. In effect, the SAAs constitute the **legal instrument for alignment to the EU acquis** (accumulated legislation, legal acts and court decisions that constitute the body of European Union law) and progressive integration into the EU market