

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

Brussels, 24 March 2004

CIG 70/04

PRESID 15

PRESIDENCY NOTE

from : Presidency
dated : 24 March 2004
to : European Council (Brussels, 25-26 March 2004)

Subject : Report on the InterGovernmental Conference

Delegations will find attached a report from the Presidency on the InterGovernmental Conference.

o
o o

Intergovernmental Conference
Report by Presidency to European Council, 25/26 March 2004

1. At its meeting in Brussels on 12/13 December the European Council noted that it was not possible for the Intergovernmental Conference to reach an overall agreement on a draft Constitutional Treaty at that stage. The Irish Presidency was requested on the basis of consultations to make an assessment of the prospect for progress and to report to the European Council in March.
2. The Presidency has accordingly undertaken an intensive and wide-ranging series of contacts with all current, acceding and candidate Member States, as well as with the European Commission and the European Parliament. They have taken place at both political and senior official level, and have included bilateral discussions between the President of the European Council and his counterparts. In addition, Foreign Ministers had a useful informal discussion at the General Affairs and External Relations Council in January.
3. The Legal and Technical Working Group chaired by the Head of the Council Legal Service has continued its work in accordance with the timetable envisaged under the Italian Presidency. The Group has finalised the texts of Protocols on the abrogation of acts and treaties completing or modifying the EC and EU Treaties and on the first four Accession Treaties. It aims to complete its remaining task, the drafting of the text of a Protocol on the Accession Treaty 2003, by 27 April.
4. There continues to be consensus on the importance and value of the proposed Constitutional Treaty, as a means of better equipping the Union to respond to the demands of its citizens and to play a more effective role in the world. It would introduce important innovations such as the simplification of legislative procedures and legal instruments, clarification of the balance between the Union and its Member States, enhancement of the protection of human rights, and a greater role for directly-elected representatives in both the European Parliament and national parliaments.

5. On the basis of its consultations, the Presidency believes that there is a strong shared sense of the desirability of concluding negotiations as soon as possible, to maintain the momentum imparted by the Convention and by the work of the Intergovernmental Conference under the Italian Presidency, and in view of the other complex and important issues which lie ahead on the Union's agenda. Indeed, it is widely believed that delay would make agreement more difficult to reach.
6. The IGC must proceed on the basis that nothing is agreed until everything is agreed. Nevertheless, the Presidency was able to confirm that the great bulk of the provisions of the draft Constitutional Treaty prepared by the Convention are not in dispute. Moreover, it also ascertained that many of the proposals made by the Italian Presidency, as set out in the document it presented to the December European Council (CIG 60 ADD 1 and ADD2), would be the subject of a broad positive consensus in the context of an overall agreement.
7. In its consultations the Presidency has been able to identify those issues which continue to raise problems for delegations, and to assess the possibilities for resolving them. The issues vary in complexity and political sensitivity. The Presidency expects that most of them could be resolved without undue difficulty.
8. The most difficult issues remain the size and composition of the Commission and, in particular, the definition and scope of qualified majority voting. The minimum seat threshold in the European Parliament also remains to be settled. In the view of the Presidency, an overall solution covering these issues, and other remaining points of difficulty, could be found if there is sufficient political will and flexibility.

Size and Composition of the Commission

9. There is general agreement that the Commission has to be composed and organised in a manner which both underpins its political legitimacy across the Union, and enables it to act effectively. Many delegations, emphasising the first of these criteria, support the idea that there should be one national from each Member State in the Commission. Others, noting that the principle of a reduced Commission, on the basis of equal rotation, is already contained in the Treaty of Nice, argue that the Commission must be smaller if it is to function effectively, in the interests of the Union as a whole. The Presidency believes that the two perspectives can be reconciled.

European Parliament

10. The Presidency believes that it will be possible to reach consensus on a modest increase in the minimum threshold of four seats per Member State in the European Parliament.

Qualified Majority Voting

11. A large majority of delegations continues broadly to support or accept the definition of qualified majority voting set out in the Convention text, though many would prefer parity between the population and member state thresholds. Many have emphasised that they regard the maintenance of the principle of double majority as essential. At the same time, a small number of delegations have made clear that they do not accept the Convention proposal as it stands.
12. The Presidency believes that a solution, if it is to command consensus, must be based on the principle of double majority, must allow for greater efficiency in decision-making than the provisions in the current Treaties, and must have due regard to balance among all Member States and to their specific concerns.
13. As regards the scope of qualified majority voting, the Presidency notes that there is a need to balance the particular concerns of Member States in relation to a number of specific issues with the general desire for the extension of QMV, with a view to promoting efficient decision-making in a larger Union. It believes that a satisfactory outcome can be found in the context of a final agreement.

Overall Assessment

14. The Presidency's assessment is that there is a strong case for bringing the Intergovernmental Conference to an early conclusion, and that there is reason to believe that an overall agreement acceptable to all delegations is achievable if the necessary political will exists.

 15. The President of the European Council will expand on this report directly to his colleagues, focussing on the prospects for progress. He will not be asking his colleagues at this meeting of the European Council to enter into the detail of the substantive negotiations or to agree conclusions in that regard. However, he intends to ask them to confirm that there is a shared political will to move to an early overall agreement.
-