

## **BRIEFING PAPER**

Number 7618, 13 June 2016

# The EU institutions: a brief guide

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# **Summary**

This brief explains the basic features of five major EU institutions: the European Parliament, the European Commission, the Council of the EU, the European Council and the Court of Justice of the EU. It aims to help readers recognise and distinguish between the different bodies and their activities.

The **European Parliament's tasks** – which have increased with each Treaty revision – revolve around legislation, the EU budget, and scrutiny. The UK currently has 73 of its 751 seats, for which there are elections every five years. Monthly 'plenary' meetings of the whole Parliament are supplemented by meetings of the 20 or so committees and of the political groups.

The **European Commission** is the EU's executive. It proposes the EU's laws and budget, and makes sure EU law is applied. Its President and 27 other Commissioners (one for each EU Member State) are voted in by the Parliament for five-year terms, and meet weekly. They are supported by a large staff working in 33 Directorates-General.

The **Council of the EU** is where government ministers and civil servants from the 28 Member States discuss and adopt EU laws and policies. Every six months a different Member State takes over the presidency to coordinate its work. Different 'configurations' of the Council meet regularly, with decisions increasingly made by qualified majority voting (weighted by population size). National civil servants also meet more frequently in various groups.

The **European Council** defines the EU's overall political direction and priorities, but does not negotiate or adopt EU laws. Its 31 members include the Heads of State or Government of the 28 Member States, and they appoint their chair for two and a half years. The European Council usually meets quarterly and takes decisions by consensus.

The **Court of Justice of the EU** is the EU's justiciary, ruling on questions and disputes about compliance with EU law and Treaties. It is made up of three bodies that deal with different compositions of defendants and claimants; the best-known and largest of the three is the Court of Justice.

## 1. What is 'the EU'?

Many people – journalists, politicians, academics – use the term 'the EU' loosely, or interchangeably with 'Europe'. In this brief, we concentrate on the European Union itself: the 'unique economic and political union between 28 European countries that together cover much of the continent'.'

References to the EU often in practice mean the European Commission, as it represents the interests of the EU as a whole.<sup>2</sup> It drafts EU proposals, represents the Member States in trade negotiations and guards the EU treaties (along with the Court of Justice), as well as contributing to the EU delegations that represent the EU around the world.<sup>3</sup>

But the Commission is only one of the EU's seven principal institutions:

- the European Parliament
- the Commission
- the Council of the EU
- the European Council
- the Court of Justice of the EU
- the European Central Bank
- the European Court of Auditors

The EU also has various types of agencies for specific tasks, which are either operated by the Commission ('executive agencies' such as the Executive Agency for Health and Consumers) or are independent 'regulatory agencies' such as the European Maritime Safety Agency<sup>4</sup>. In addition there are other 'interinstitutional bodies' such as the European Personnel Selection Office.

Each institution has its own role, powers and methods of working. None can formulate, implement and evaluate any EU policy singlehandedly.

At any one stage in the life of an idea, rule, law or policy, EU institutions are either formulating, implementing or evaluating it. The more political institutions such as the Council and the European Parliament also vote on ideas, rules, laws or policies.

#### **Member States in the EU**

The public institutions of EU Member States – governments, parliaments, regional assemblies, central banks, courts, ombudsmen – are represented in a number of EU institutions. Their degree of influence depends on a variety of factors, including powers given to them under the EU Treaties, regulations, the frequency of their presence, their level of expertise in specific areas, their size and also their capacity to lobby decision-makers.

<sup>&</sup>lt;sup>1</sup> European Union, <u>The EU in brief</u>

<sup>&</sup>lt;sup>2</sup> European Union, <u>EU institutions and other bodies</u>

<sup>&</sup>lt;sup>3</sup> European Union, EU Delegations' websites

<sup>&</sup>lt;sup>4</sup> European Union, About the EU, Agencies and other EU bodies

## 2. European Parliament

The Parliament is the EU's legislature, with 751 Members directly elected every five years from across the 28 Member States. With each Treaty revision, its powers have increased.

#### 2.1 Main tasks

The Parliament's tasks revolve around legislation, the EU budget, and scrutiny. It:

- makes EU laws (together with the Council) in the majority of areas of EU activity
- asks the European Commission to propose legislation
- establishes and approves the EU budget<sup>5</sup> (together with the Council)
- elects the 28 Commissioners and reviews the Commission's work programme
- scrutinises all the EU institutions
- examines petitions and sets up inquiries

#### 2.2 Structure

The Parliament's 751 seats are distributed roughly in proportion to the population of each Member State, within the range of 5 to 99 seats per Member State. The UK currently has 73 seats.

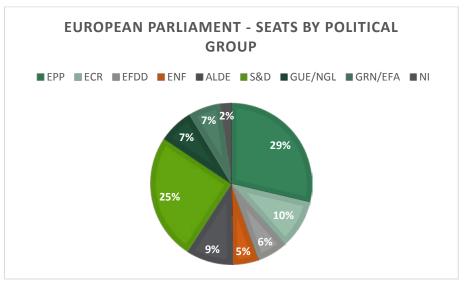
Members of the Parliament (MEPs) elect their president for their fiveyear term (currently Martin Schulz).

MEPs currently fall into nine groups – eight recognised political groups, plus the non-attached MEPs:

- Group of the European People's Party (Christian Democrats) (EPP)
- Group of the Progressive Alliance of Socialists and Democrats in the European Parliament (S&D)
- European Conservatives and Reformists Group (ECR)
- Group of the Alliance of Liberals and Democrats for Europe (ALDE)
- Confederal Group of the European United Left Nordic Green Left (GUE/NGL)
- Group of the Greens/European Free Alliance (GRN/EFA)
- Europe of Freedom and Direct Democracy Group (EFDD)
- Europe of Nations and Freedom Group (ENF)
- Non-attached Members (NI)

For information on the EU budget, see EU budget and the UK's contribution, Commons Library briefing paper 7455, 12 April 2016

The centre-right EPP group, which currently has 215 MEPs, has been the largest in every European Parliament election since 1999.



European Parliament – Seats by Political Group<sup>6</sup>

The Parliament has a secretariat of around 4,600 officials, recruited by open competition from the Member States and under the authority of its Secretary-General.

## 2.3 Operation

MEPs attend monthly 'plenary' meetings at the Parliament's headquarters in Strasbourg to discuss and vote on issues and legislation all together. Some meetings also take place in Brussels and there are currently efforts to limit Parliament sittings to just one location (Brussels).

In addition, MEPs work in around 20 topic-based committees which meet in public in Brussels and Strasbourg once or twice a month. The size of these committees ranges from 25 to 71 MEPs.<sup>7</sup> They draw up, amend and adopt legislative proposals and own-initiative reports. They consider Commission and Council proposals and draw up reports for the plenary.

MEPs further participate in monthly meetings of their political groups.8

The predominant working language is English, although MEPs often speak in their mother tongues during public sessions.

MEPs' salaries and expenses are paid out of the EU Budget.

<sup>&</sup>lt;sup>6</sup> Data source: European Parliament, <u>Seats by political group</u> (accessed 2 June 2016)

<sup>&</sup>lt;sup>7</sup> European Parliament, <u>About Parliament</u>, <u>Organisation</u>

European Parliament News, <u>The secrets behind Parliament's colourful calendar</u>, 7 April 2015

# 3. European Commission

The Commission is the EU's executive. The term is often used as a shorthand expression for either the 28 Commissioners (the College), one or more of its departments (33 directorates-generals or DGs, plus 11 services such as legal or translations), or a combination of these.

#### 3.1 Main Tasks

The Commission has five main roles. It:

- proposes draft EU laws for the Council and Parliament to consider (it has an almost exclusive 'right of initiative')
- drafts and implements the EU's budget
- acts as 'quardian of the Treaties' by making sure EU law is applied by the Member States, individuals and other EU institutions (together with the Court of Justice of the EU)
- manages the day-to-day business of implementing EU laws and policies and the spending of EU funds
- holds trade talks with non-EU governments or external organisations for the Council and/or the Member States

## 3.2 Structure

The College is made up of 28 Commissioners – one for each Member State – including a President and (currently) seven Vice-Presidents. It serves a five-year term.

The European Council proposes a candidate for President of the Commission to the European Parliament for election. The President's job is to give a sense of direction to fellow Commissioners and to the Commission as a whole.

Member States then propose candidates for the rest of the College, from whom the presidential candidate selects potential Vice-Presidents and other Commissioners in charge of portfolios. Each nominee has a hearing before the European Parliament, which then votes on whether to accept the nominees as a team. Finally, they are appointed by the European Council, by a qualified majority. Once approved, they start their term on 1 November of that year.

In an effort to streamline the activities of 28 members, the current Commission President, Jean-Claude Juncker, appointed six vicepresidents who report to the First Vice-President (currently Frans Timmermans). The latter acts as a Chief of Staff and can veto any proposal of a DG. Another Vice-President is the High-Representative of the Union for Foreign Policy and Security Policy.

The European Parliament can censure the Commission and ultimately dismiss it.

<sup>&#</sup>x27;Timmermans to wield veto right over "excessive bureaucracy" (UPDATED)', Euractiv, 10 September 2014

The 23,000 Commission staff in the <u>33 Directorates-General</u> (departments) and 12 services (such as the library) are recruited by open competitions run by the European Personnel Selection Office (EPSO). Each Directorate-General is answerable to the relevant Commissioner.

## 3.3 Operation

The Commissioners hold weekly meetings in private to decide on legislative proposals (usually every Wednesday in Brussels except during the European Parliament's plenary sessions when they meet in Strasbourg). These proposals are first submitted by Commissioners to the whole College, and if approved are taken up by the relevant Directorate-General to produce a draft. If the draft is approved by the Commissioners (either by consensus or by simple majority), the proposal is sent to the Council and/or the Parliament for the next stage in the EU legislative process.

Most Commission decisions are, however, not taken at its weekly meetings, but are adopted by 'written procedure'. Under this process, a proposal or draft document is circulated to all Commissioners, who can make comments within a certain time frame. 10

The Commission President and a Vice-President, the High Representative of the Union for Foreign Policy and Security Policy (often referred to as the 'EU Foreign Minister') participate in quarterly EU summits with the European Council. The High Representative also chairs most of the monthly foreign affairs meetings of the Council of the EU<sup>11</sup> and heads the EU's foreign service (the European External Action Service, EEAS).

The Commission also monitors the application of EU law, and can take action against a Member State that fails to incorporate EU directives into its national law or is suspected of breaching EU law. Most cases are resolved at an early stage, but the Commission can go on to refer the Member State to the Court of Justice of the EU.

<sup>&</sup>lt;sup>10</sup> Commission Rules of Procedure, Art 12

<sup>&</sup>lt;sup>11</sup> European Union External Action, Foreign Affairs Council

## 4. Council of the EU

The Council is the forum for EU Member States' government ministers and civil servants. They discuss among other things draft legislation, Commission initiatives and intergovernmental matters, which they subsequently present and support vis-à-vis other institutions.

(The similar sounding Council of Europe has 47 Member States, including all of the EU member states, and deals with human rights affairs.)

#### 4.1 Main Tasks

The Council undertakes five main tasks. It:

- coordinates Member States' policies
- adopts the EU budget (together with the Parliament)
- negotiates and adopts EU laws (often together with the Parliament)
- develops the EU's common foreign and security policy (CFSP)
- concludes international agreements (following the Commission's preparatory work)

#### 4.2 Structure

Unlike the Parliament or the Commission, the Council has a rotating presidency. Every six months, a different Member State presides over the coordination of policies and statements. The UK is set to preside over the Council from July to December 2017, 12 years after its last EU presidency.

Like the Commission, the Council divides its work into different departments. The 10 'configurations' range from agriculture and fisheries to employment, and from finance to foreign affairs. The General Affairs Council (GAC) configuration covers cross-cutting policy areas such as the EU seven-year budget plan (Multi-Annual Financial Framework) and EU enlargement.<sup>12</sup>

## 4.3 Operation

The ministers and secretaries of state hold regular Council meetings. Any configuration can adopt any legislative act – even those concerning other configurations.<sup>13</sup>

Decisions are increasingly made by qualified majority voting ('QMV'), with measures passed if at least 55% (ie currently 16) of the Member States representing at least 65% of the EU's total population back them.<sup>14</sup> This gives larger Member States an advantage.

See European Council/Council of the European Union, <u>General Affairs Council configuration (GAC)</u>

<sup>&</sup>lt;sup>13</sup> See European Council/Council of the European Union, Council configurations

<sup>&</sup>lt;sup>14</sup> European Council/Council of the European Union, Qualified Majority

Exceptions to QMV include the CFSP, citizenship, EU enlargement, EU finances, social security and taxation. 15 In such cases, a single no-vote vetoes the proposal.

A lot of the preparatory work is done in the Committee of Permanent Representatives (COREPER), which is composed of civil servants from the Member States and meets once a week. The UK's permanent mission is called the United Kingdom Permanent Representation to the European Union (UKRep).

In addition, national civil servants meet to discuss and coordinate matters in the Council preparatory bodies. 16 There are over 150 of these specialised committees and working parties, which prepare the ground for higher-level meetings.

At the beginning of each rotating presidency the President of the Council presents his/her programme to the Parliament in plenary and initiates a debate. At the end of the six-month EU Presidency the President gives a final report to the Parliament.

<sup>&</sup>lt;sup>15</sup> European Council/Council of the European Union, Unanimity

See European Council/Council of the European Union, Council preparatory bodies

# 5. European Council

The European Council can be likened to the board of directors of a large organisation.

### 5.1 Main tasks

It does not negotiate or adopt EU laws, but it shapes EU policy-making in five ways. It:

- defines the EU's overall political direction and priorities, usually by adopting 'conclusions' which identify issues of concern and actions to take
- asks the European Commission to make a proposal to address an issue or pass it on to the EU Council (see below) to deal with
- resolves impasses on complex or sensitive issues that the Council could not agree on
- defines the EU's common foreign & security policy
- nominates and appoints candidates to certain roles, including the head of the EC and of the European Central Bank

## 5.2 Structure

The European Council is composed of 31 members:

- the Heads of State or Government of the 28 EU Member States, who are voted into office in their countries in parliamentary or presidential elections
- the permanent chair (President of the European Council)
- the Commission President
- the EU High Representative for foreign and security policy

Members of the European Council jointly appoint their chair (currently Donald Tusk from Poland) for two-and-a-half years.

## 5.3 Operation

The European Council usually meets in Brussels four times a year.

It predominantly takes decisions by consensus, ie 'nobody signifies opposition, rather than ... everyone agrees'. 17

See Vaughne Miller, Voting Behaviour in the EU Council, Commons Library Briefing Paper 6646, 23 May 2013, p6

# 6. Court of Justice of the EU (CJEU)

The CJEU, based in Luxembourg, is the EU's justiciary, ruling on questions and disputes about compliance with EU law and the Treaties.

#### 6.1 Main Tasks

The CJEU's main tasks are:

- ensuring adherence to EU law by EU institutions
- ensuring the same interpretation and application of EU law in each Member State
- interpreting and enforcing EU law
- annulling EU acts that violate the treaties or fundamental principles
- sanctioning EU institutions or Member State governments

## 6.2 Structure

Like the Commission, the CJEU's institutions are often referred to interchangeably. Yet it comprises three institutions<sup>18</sup>, one of which is the – arguably best known – Court of Justice. Indeed, the CJEU should probably be called the Courts of Justice to the EU.

## 6.3 Operation

Put simply, the three courts all assess cases related to EU law and the Treaties but deal with different compositions of claimants and defendants.

The **Court of Justice** is the oldest and largest court. It comprises 39 members – one judge per Member State and 11 advocates-general (advisers to the judges). It assesses two main types of cases:

- **Interpreting the law** (preliminary rulings) national courts of EU countries are required to ensure EU law is properly applied, but courts in different countries might interpret it differently. If a national court is in doubt about the interpretation or validity of an EU law, it can ask the Court for clarification. The same mechanism can be used to determine whether a national law or practice is compatible with EU law.
- **Annulling EU legal acts** (actions for annulment) if an EU act is believed to violate EU treaties or fundamental rights, the Court can be asked to annul it – by an EU Member State, the Council of the EU, the European Commission or (in some cases) the European Council. Private individuals can also ask the Court to annul an EU act that directly concerns them.
- **Enforcing the law** (infringement proceedings) this type of case is taken against a Member State's government for failing to

<sup>&</sup>lt;sup>18</sup> See European Union, Court of Justice of the European Union

comply with EU law. Can be started by the European Commission or another EU Member State. If the country is found to be at fault, it must put things right at once, or risk a second case being brought, which may result in a fine.

- **Ensuring the EU takes action** (actions for failure to act) the Parliament, Council and Commission must make certain decisions under certain circumstances. If they don't, EU governments, other EU institutions or (under certain conditions) individuals or companies can complain to the Court.
- **Sanctioning EU institutions** (*actions for damages*) any person or company who has had their interests harmed as a result of the action or inaction of the EU or its staff can take action against them through the Court. 19

The **General Court** comprises 28 judges – one judge per Member State. It decides mainly on cases where individuals and companies ask for annulments in relation to agriculture, competition, state aid, trade, and trademarks.

The smallest and youngest court, the **Civil Service Tribunal**, comprises seven judges. It assesses disputes between EU civil servants and their employers, the EU institutions.

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