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The European Union Establishment

For centuries, Europe was the scene of frequent wars. In the period 1870 to 1945, France and Germany fought each other three times. A number of European leaders became convinced that the only way to secure a lasting peace in Europe was to unite their countries economically and politically.

1951 - Treaty of Paris

Establishment of the European Coal and Steel Community (ECSC)⁽¹⁾

About five years after the Second World War, the French Foreign Minister Robert Schuman proposed integrating the coal and steel industries of a number of European countries – mainly active in weapon manufacturing. In addition to the economic motives, the unified coal and steel market between Belgium, Germany, France, Italy, Luxembourg and the Netherlands (the Six) was also based on a striving for peace.

1957 - Treaties of Rome

Establishment of the EEC and Euratom

In 1957 the Six signed the treaties of Rome, or the treaties establishing the European Economic Community (EEC) and the European Atomic Energy Community (Euratom). This was the first attempt to create a common market. On the long term, they wanted to evolve towards a political union that would come into force in 1992 with the Treaty of Maastricht. But important steps were taken between 1957 and 1992.

- Decision to introduce a common agricultural policy (1965).
- Creation of the European Monetary System (EMS) (1978): the member states increase monetary cooperation in order to limit exchange rate fluctuations
- The first direct elections to the European Parliament (1979).
- Schengen Agreement (1990): the Schengen countries abolish checks at the borders (see information sheet n° 34)

1986 - Single European Act

Introduction of the qualified majority in the Council; co-operation between the Council and the EP in the field of legislation.

1992 - Treaty of Maastricht

Establishment of the European Union

In 1992, the European Union was created through the Treaty of Maastricht. The EU became a political union with one institutional framework, based on three pillars (see information sheet 34.3).

The free traffic of persons, goods, services and capital allows European citizens to travel freely between European Countries. This Treaty unified the internal market of the European Union. The Economic and Monetary Union (EMU) was created with the introduction of a single currency as its main aim.

On January 1st 2002, the Euro replaced the national currency in 12 European countries, of which Belgium was one.

1996 - Treaty of Amsterdam

Since the Maastricht Treaty, the introduction of the Euro has been on the agenda all the time. Furthermore, the choice between 'deepening' (extension of the Community based approach, thus more impact from the European institutions, namely the Commission and the EP) and 'widening' (accession of new Member States, which could weaken the decision-making) of the EU was constantly under discussion.

From the beginning of the 90ies (after the fall of the Berlin Wall) there was a consensus to unify Europe.

The importance of the Treaty of Amsterdam lies mainly in the notion of 'stronger cooperation', which led to a Europe on different speeds. This so-called 'stronger cooperation' allows a number of member states to work closer together on a certain area, such as the Schengen countries and the Euro countries (see information sheet n° 34).

¹ The ECSC treaty expired on July 23, 2002.

2000 - Treaty of Nice

Nice focussed on the extension of the EU. In order to prepare the decision-making system to the extension, fundamental changes were required. In Nice, it was decided to limit the number of Commissioners and to make the Council decide on more topics with a qualified majority.

2001 - Laeken Declaration

During the Laeken European Council (2001), under Belgian presidency, the European government leaders suggested to replace the existing treaties by one European Constitution. They wanted to make the European organisation more transparent, give the citizens a larger involvement in the European project and clearly delimitate the competencies between the member states and the European Union. The government leaders set up a European Convention to prepare a European Constitution. This Convention was composed of representatives of the most important institutions in the EU (national parliaments, European Parliament, national governments and the European Commission).

2004 - European Constitution

At the European Summit in Brussels at the end of 2003, the heads of state and government leaders failed to reach a consensus on the draft European Constitution. Poland and Spain, among others, expressed their criticism. These countries felt that because of the voting proportions set forward in the draft they would have too little power within the Union.

In June 2004, the heads of State and Government finally reached an agreement on the European Constitution, which then had to be ratified by all the Member States (approval by the parliament and/or by a referendum). In 2005, the ratification process was interrupted after negative referendums in France and the Netherlands. By then, about ten member States had already ratified the European Constitution. After a period of reflection, the European leaders decided to abandon the constitutional concept and to limit the project to a modification of the existing European treaties: the Treaty on the European Union (TEU) and the Treaty on the functioning of the European Union (TFEU).

2007 - Treaty of Lisbon

An Intergovernmental Conference (composed of representatives from the governments of the Member States) was convened in order to prepare amendments on the founding treaties of the EU, which resulted at the end of 2007 in the Treaty of Lisbon. That treaty too had to be ratified by all Member States. In a first referendum (June 2008) the Irish voted against it. After a laborious information campaign, they finally voted in favor in a second referendum (October 2009).

In the Czech Republic, the ratification process didn't go smoothly either. On November 3rd 2009, the Czech president Vaclav Klaus signed the Treaty, as the last European Head of State, only after the Czech Constitutional Court stated that the Treaty was compatible with the Czech Constitution. He regretted, however, that the Treaty compromised Czech sovereignty. The European Constitution had to make Europe more transparent. Did the Treaty of Lisbon meet that target? Paradoxically, no. The European Constitution was rejected in some Member States. It was replaced by the Treaty of Lisbon, which is a reform treaty. It is an additional treaty that merely indicates what has to be amended in the existing European treaties. That makes it even more complicated. The EU has nevertheless become a more visible actor on the world stage, which is positive. Thanks to the Lisbon Treaty, EU has a Permanent President of the European Council, often called European President (from 2019 till 2024: the Belgian Charles Michel), and a High Representative for Foreign Affairs.

A troublesome process

The unification of Europe is a democratic process currently involving 27 countries and a large number of political families. Hence, it is logical that certain areas of tension appear. Opinions greatly differ on the measure to which the member states should transfer competencies to the Union. Minimalists are opposed to maximalists. The minimalists opt for an intergovernmental approach. They feel things should be arranged on a national level through deliberation among the governments. This group consists of the strong member states, such as Germany and France who would not like to give up much of their sovereignty. The maximalists want Europe to have more power. Belgium and Luxemburg belong to this group. This attitude is also called the communal approach. In order to reconcile these differences of opinion, the Treaty of Maastricht introduced the principle of subsidiarity: everything should be executed at the appropriate level of power, as close to the citizens as possible.

In addition, also the financing of the Union creates opposite interests. On the one hand, there are member states who contribute more to the Union than they receive (net payers) such as Germany, the Netherlands ... On the other hand, certain countries receive more than they contribute (net receivers) such as Greece, Portugal and a large part of the new member states. The net payers would like to limit the contribution of the member states to the Union to 1% of the Gross National product. Of course, there are also ideological oppositions. The liberal parties believe that the free market will create more prosperity and that the differences in prosperity among the member states will be reduced. The social democratic parties would like to ac-

will be reduced. The social democratic parties would like to accentuate the social themes and find that a liberalisation should never endanger the services of general interest.

> More information: <u>www.europa.eu</u>

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