

Mr Josias van Aartsen
Minister of Foreign Affairs
Postbus 20061
2500 EB Den Haag

Date 9 November 2001
Re Interim advisory report

Our ref. AIV-214/01

Dear Mr Van Aartsen,

In its request of 19 July 2001, the Government asked the Advisory Council for International Affairs (AIV) for advice on the problems discussed in the Declaration on the Future of the Union annexed to the Treaty of Nice. The Government went on to note that the European Council in Laeken, to be held on 14 and 15 December 2001, will address the question of what subjects the future Convention will deal with. It expressed the hope that the AIV could present its advisory report, or part of it, in time for the Government to use it in determining its position at this European Council.

The best way to comply with the Government's wishes, in the AIV's view, is for the AIV to divide its recommendations on the future of the European Union over two advisory reports. The interim report below indicates what subjects the AIV thinks need particular attention in drawing up the agenda for the debate on the European Union's future. We hope that issuing this interim report now will enable the Government to take account of these points in determining its position on what subjects the Convention should address in the run-up to the Laeken Council in December 2001. The AIV notes that the summary below cannot be exhaustive. We also refer to our earlier report on the procedure to be followed at the IGC in 2004, in which we said that the Convention preparing the IGC need not restrict itself to the four themes from the Nice Declaration and other subjects that the ministers put on its agenda.¹ The AIV plans to send you a second report in 2002, in which we will examine more substantively the European Union's further development: specifically, the four subjects mentioned in the Final Act and the subjects put forward by the AIV itself.

The AIV has modelled this interim report around the standpoints articulated by the Government in *The State of the European Union*. In conjunction with the debate on the future, the Government listed fourteen substantive priorities, which it would eventually like to see included in a European Constitution.² Chief among them were legitimacy, democracy and the coherence of the Union's external action. The AIV endorses these choices, which are the core issues affecting the European Union's functioning. On the other hand, the agenda of the debate on the future will be dominated not only by the Union's own procedures and functioning, but also by current events. For example, the events of 11 September 2001 unavoidably put the subject of counterterrorism and security on the agenda. The AIV asks the Government to ensure that attention to topical issues does not detract from a thorough treatment of the Union's functioning.

Under the heading 'legitimacy and democracy', the AIV recommends that the following subjects, which partly overlap the priorities set by the Government, be put on the agenda of the debate.³ We note that we have already examined these nine points in earlier advisory reports.⁴

The following subjects relate to the Council of the European Union:

1. regulation of European Council procedure;
2. a longer term for the President of the Council;
3. public meetings of the Council when it is acting as a legislative body;
4. codecision as the rule in majority decision-making. This theme is linked to point 8 below.

The following subjects relate to the European Parliament:

5. individual accountability of Commission members to the Parliament for their portfolios;
6. abolition of the distinction between compulsory expenditure (on which the Parliament may only propose amendments to the Council) and non-compulsory expenditure (on which it has a right of amendment) – so as to give the Parliament a right of amendment for the entire budget;
7. establishment of a bicameral system.

The following subjects relate to the European Commission:

8. reinforcement of the Commission: first, by considerably simplifying the comitology; second, by granting the Commission clear executive and monitoring powers; and finally, by delegating implementation more;
9. direct election of the President, and a new system for appointing the full Commission membership.

Under the heading 'the coherence of the Union's external action', attention must be paid to the issue of coherent, united action by the European Union in political, economic and monetary affairs, particularly in international forums like the UN Security Council, the International Monetary Fund, the World Trade Organisation and the G8.

The AIV also endorses the Government's position that the Common Foreign and Security Policy (CFSP) needs attention. The CFSP is shaped intergovernmentally with the help of a High Representative. Friction around the CFSP has been steadily intensifying. An incoherent CFSP poses risks for global stability, as shown by the different European capitals' reactions, expressions of solidarity, commitments, reservations and forms of cooperation with the US after 11 September 2001 and with regard to the military actions against Afghanistan. The aftermath of the attacks on the WTC and Pentagon underscores the absence of a common European voice. Neither the temporary Presidency of the European Union, nor the President of the Commission, nor the High Representative has the position, legitimacy and visibility to speak on behalf of all the Union's citizens. Furthermore, an enlarged Union will soon have to face possible instability along its long frontier. A unified policy is needed to ensure the security and stability of its new eastern member states and avoid divisions in the Union, for example regarding policy towards Russia and Ukraine.

Finally, the monetary stability of the euro zone will be seriously at risk as long as there is so little pressure to harmonise foreign and security policy. For example, military action in a crisis could affect individual member states' budgets and consequently their monetary positions. Further reinforcement of the Union's capacity to take concerted action outside its borders must therefore involve putting its monetary solidarity and solidity on a firmer basis. It follows that the question of financing the Union's external policies must also be considered.

There is also a need for coherent, effective action on counterterrorism and security. The AIV notes that the European Union addresses this subject in each of its three pillars: economic sanctions fall under the first pillar, foreign and defence policy under the second, and counterterrorism under the third. We also recommend considering the possibility of communitising some or all of the third pillar; the Government also mentions this as a priority in *The State of the European Union 2002*.

Yours sincerely,

[signed]

Professor Frans Andriessen
Acting Chairman, Advisory Council on International Affairs

¹ See AIV Advisory Report no. 24, *A convention, or conventional preparations? The European Union and the IGC 2004*, November 2001, p. 16, which deals with the organisation and mandate of the Preparatory Convention for the 2004 IGC.

² *Staat van de Europese Unie: De Europese agenda vanuit Nederlands perspectief* [The state of the European Union: The European Union from a Dutch perspective] 2002, pp. 61-62.

³ Points 4, 5 and 9 below are also listed by the Government in the *Staat van de Europese Unie*.

⁴ See AIV Advisory Report no. 1, *An inclusive Europe*, October 1997; no. 5, *An inclusive Europe II*, November 1998; no. 12, *The IGC 2000 and beyond: towards a European Union of thirty Member States*, January 2000; and no. 19, *A multi-tiered Europe: the relationship between the European Union and subnational authorities*, April 2001.