

EU MATTERS **project**

Chapter 1. About the European Union - Brief history of the EU

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3. EU institutions and their role

The **institutional framework** of the EU includes:

- The European Parliament (Brussels / Strasbourg / Luxembourg)
- The European Council (Brussels) the Council of the European Union (Brussels/Luxembourg)
- The European Commission (Brussels/Luxembourg/Representations throughout the EU).

Their work is complemented by other bodies, including:

- The Court of Justice of the European Union (Luxembourg)
- The European Central Bank (Frankfurt)
- The European Court of Auditors (Luxembourg).

EUROPEAN PARLIAMENT



Only EU institution directly elected by European citizens and helps ensure the democratic legitimacy of European law.

COMPOSITION: 705 representatives of the citizens of the Union elected by direct universal suffrage for a five-year term. members represent the citizens of the European Union.

The number of Members of Parliament elected in each of the Member States of the European Union is basically determined by its population

The main **FUNCTIONS** of the European Parliament are:

- Legislative power: for most legal acts of the European Union, the European Parliament shares legislative power with the Council of the European Union through the ordinary legislative procedure;
- Budgetary power: the European Parliament shares budgetary power with the Council in voting on the annual budget, making it executive through the signature of the President of the European Parliament and overseeing its implementation;
- Power of control over the executive institutions of the European Union, particularly the Commission: the European Parliament can grant or withhold approval to the appointment of individual commissioners and has the power to dismiss the Commission as a whole by passing a motion of censure. It also exercises the power of control over the activities of the Union through oral or written questions submitted to the Commission and the Council. It establishes special committees or commissions of inquiry, whose mandate is not necessarily limited to the activities of the institutions of the European Union, but may be extended to actions taken by the member states of the Union in implementation of the policies of the European Union.

The Lisbon Treaty strengthened the role of the European Parliament by placing it at the same level as the Council of the European Union through:

- Expanding the ordinary legislative procedure to 40 new areas, including agriculture, energy security, immigration, justice and home affairs, health and structural funds;
- Currently the European Parliament is responsible for adopting the entire budget together with the Council;
- The ability for members of the European Parliament to give their consent to a wide range of international agreements negotiated by the European Union, including international trade agreements;
- The introduction of new rights to obtain information on the activities of the European Council, the rotating presidency of the Council and the European External Action Service;
- The granting of the European Parliament the right to propose treaty amendments;
- The expansion of the European Parliament's power of control with regard to the election of the president of the European Commission and the approval of the members of the European Commission through its consent vote.

EUROPEAN COUNCIL

FUNCTION: Sets overall **EU policy priorities and directions**, adopting conclusions: at each European Council meeting, specific issues of EU interest are identified and certain actions to be taken or goals to be achieved are defined.

OTHER FUNCTIONS:

- electing the president of the European Council
- propose the president of the European Commission
- appoint the high representative of the Union for Foreign Affairs and Security Policy
- officially appoint the entire college of commissioners
- appoint the executive board of the European Central Bank (ECB), including the president of the ECB

The meetings, often referred to as "**European summits**", are held in Brussels in the Europa Building and usually take place over two days, a Thursday and a Friday.

The European Council has maximum visibility when it meets, but its work continues in the months that follow.

The president maintains close contact with the 27 heads of state or government to follow up on decisions taken and prepare for subsequent meetings.

To this end, the president meets regularly with the other members of the European Council in Brussels, in the capitals of the member states, and by videoconference.

The president also frequently dialogues with leaders of third countries. These contacts serve to prepare for and follow up on the discussions of the European Council and the EU's international summits.

COUNCIL OF THE EUROPEAN UNION

The **Council of the European Union** ("Council") is one of the main **decision-making** bodies of the Union. Its meetings are attended by ministers from the **27 member states** of the Union. who meet by sector.

Decision-making and coordination functions.

While the European Council sets policy priorities and orientations, the European Commission presents proposals for new laws, the Council of the EU As the Parliament, negotiates, approves and adopts jointly with the Parliament, European legislation, through the ordinary legislative procedure, also known as the **co-decision procedure**.

Codecision is used for areas where the EU has **exclusive or shared competence** with the member states. In such cases, the Council **legislates on the basis of proposals submitted by the European Commission**.

RESOURCE EU sectors:

https://commission.europa.eu/about-european-commission/what-european-commission-does/law/areas-eu-action_it#EU

Policy **coordination** function of member states in specific areas, such as:

- Economic and budgetary policies: the Council coordinates the economic and budgetary policies of member states to strengthen economic governance in the EU, monitors budgetary policies and consolidates the EU's budgetary framework; it also deals with legal and practical aspects concerning the euro, financial markets and capital movements.
- Education, culture, youth and sports: the Council adopts policy frameworks and work plans in these areas, which set priorities for cooperation between the member states and the Commission.
- Employment policy: the Council prepares annual guidelines and recommendations for member states, based on the European Council conclusions on the employment situation in the EU.

Develops the EU's common foreign and security policy.

Defines and implements the EU's foreign and security policy based on guidelines set by the European Council, including humanitarian and development aid provided by the EU, defense, and trade.

The Council provides the Commission with a mandate to negotiate on behalf of the EU agreements between the EU and third countries and international organizations. At the end of the negotiations, the Council decides on the signing and conclusion of the agreement on the basis of a Commission proposal. The Council also takes the final decision on the conclusion of the agreement once the European Parliament has given its approval (required for areas that are subject to co-decision) and the agreement has been ratified by all EU member states.

Agreements can cover broad areas, such as trade, cooperation and development, or narrower areas, such as textiles, fisheries, customs, transport, science and technology, etc.

The Council **adopts the EU budget** together with the European Parliament.

The Council meets in **ten formations** in which the respective ministers of the member states meet:

- General Affairs;
- Foreign affairs;
- Economic and financial affairs;
- Justice and Home Affairs;
- Employment, Social Policy, Health and Consumer Affairs;
- Competitiveness (internal market, industry, research and space);
- Transport, telecommunications and energy;
- Agriculture and fisheries;
- Environment;
- Education, youth, culture and sports.

EUROPEAN COMMISSION

Politically independent **executive** arm of the EU. Its role:

- Sole responsibility for drafting proposals for new European legislation and implementing the decisions of the European Parliament and the Council of the European Union.
- Sole EU institution to submit legislative provisions to the European Parliament and Council for adoption.
- Protects the interests of the EU and its citizens on issues that cannot be handled effectively at the national level.
- Uses experts and public opinion on technical aspects.
- Manages policies and allocates EU funding.
- Sets EU spending priorities, together with the Council and Parliament.
- Prepares annual budgets for approval by Parliament and Council.
- Monitors how funds are used, under the close supervision of the Court of Auditors.

- Ensures compliance with EU law.
- Together with the Court of Justice ensures that EU law is properly applied in all member countries.
- Represents the EU in the international arena.
- Serves as spokesperson for all EU countries in international bodies, particularly in the areas of trade policy and humanitarian aid.
- Negotiates international agreements on behalf of the EU.

Political leadership is exercised by a group of Commissioners (one from each EU country) under the direction of the Commission President, who assigns the various policy responsibilities.

The **candidate for president** is put forward by national leaders in the European Council, taking into account the results of the European Parliament elections. To be elected, he or she must gain the support of a majority of the members of the European Parliament.

The presidential candidate chooses potential vice presidents and commissioners based on suggestions from EU countries. The list of candidates must be approved by national leaders in the European Council.

Each candidate appears before the European Parliament to explain his or her political vision and answer questions. The Parliament then proceeds to approve or not, by vote, the entire team of candidates, and finally, these candidates are appointed by the European Council by qualified majority.

The term of the current Commission expires on October 31, 2024.

Current President Ursula von der Leyen



Court of Justice of the European Union (CJEU)

FUNCTIONS:

- **Interpreting the law** (preliminary rulings). National courts in member states must ensure the correct application of EU law, 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 regulation or practice is compatible with EU law.
- **Ensuring compliance with the law** (infringement procedures). Such measures are taken against a national government that fails to comply with EU law. They can be initiated by the European Commission or by another EU country. If the country is found to be in noncompliance, it is required to remedy it immediately, otherwise it risks a second procedure, which could result in a fine

Court of Justice of the European Union (CJEU)

The CJEU is divided into **two chambers**:

- **The Court of Justice** deals with requests for preliminary rulings submitted by national courts and certain actions for annulment and appeals.
- **The Court of First Instance** adjudicates on actions for annulment brought by private citizens, companies and, in some cases, governments of EU countries. In practice, this means that this section deals mainly with competition law, state aid, trade, agriculture and trademarks.



- **Annul EU legal acts** (actions for annulment). If they believe that an EU act violates the treaties or fundamental rights, the government of a member state, the EU Council, the European Commission, or, in some cases, the European Parliament, may ask the Court to annul it. Private citizens may also ask the Court to annul an EU act that directly affects them.
- **Ensure the EU's intervention** (appeals by omission). Under certain circumstances, the Parliament, Council, and Commission must make certain decisions. If they fail to do so, national governments, other EU institutions, and, under certain conditions, even private citizens or businesses can appeal to the Court.
- **Sanction EU institutions** (actions for damages). Any citizen or business whose interests have been harmed by an action or omission of the EU or its staff can sue them before the Court.

- The Court **prepares** an annual report on EU revenue and expenditure.
- It **examines** the financial accounts of the EU in detail. If it suspects that there is something wrong with the accounts, it communicates this, reporting it for the purpose of further investigation.
- In its annual report, the Court officially provides the European Parliament and the Council with its opinion with any "**statement of assurance**" on the EU accounts and on the legality and regularity of the underlying transactions.
- It **conducts** investigations into other matters relevant to EU spending.
- Publishes **special reports** containing its observations on specific issues: for example, the effectiveness of EU spending in a given area.
- The other EU institutions may ask the Court to provide a **formal opinion** on any matter concerning the EU budget.
- The Court also **assists** the European Parliament and the Council in carrying out their respective audits of how the EU budget is spent.

The EU system is then completed by the **European Central Bank**, which plays a pivotal role in the field of economic and monetary policy (see dedicated section)

In addition to the institutions, the EU's organizational framework consists of a number of bodies and organs with advisory, financial and supervisory functions. These include the Committee of the Regions, the Economic and Social Committee, the European Investment Bank and the European Agencies. (see dedicated paragraphs)

4. Overview of EU policies and programs

Three principles establish how and in what areas **the EU can act**:

attribution - the EU has only the authority given to it by the EU treaties, ratified by all member states

proportionality - EU action cannot go beyond what is necessary to achieve the objectives of the treaties

subsidiarity-in areas where both the EU and national governments can act, the EU can only act to act more effectively.

CFR. Resource EU Action Areas.

The EU's overall political strategy is jointly developed by its institutions: the European Parliament, the European Council, the Council of the European Union and the European Commission.

In particular, the **European Council** (which brings together the heads of state and government of all EU countries) sets the overall **political guidelines and priorities**.

The president of the Commission also determines the political priorities for his or her term. Every five years, at the beginning of a new term, he indicates the priority areas on which he will focus during that period.

The choice of areas stems from the Council's strategic agenda and discussions with the political groups in the European Parliament. Based on the President's or Commission President's statement before the European Parliament, an action plan for the next 12 months is formulated in the Commission's work program that describes how the policy priorities will be translated into concrete actions.

For example, the **Strategic Agenda 2019-2024**, set out six **priorities**:

- [Europe's Green Deal](#)
- [A Europe ready for the digital age](#)
- [An economy that serves people](#)
- [A stronger Europe in the world](#)
- [Promoting the European way of life](#)
- [A new impetus for European democracy](#)

Europe has also joined the **2030 Agenda** for Sustainable Development an action agenda for people, planet and prosperity signed in September 2015 by the governments of the 193 member countries of the UN. It incorporates 17 Sustainable Development Goals Sustainable Development Goals, SDGs - into a grand program of action with a total of 169 'targets' or goals.



The policy implementation system uses two classic programming levers:

Normative (e.g., European Pillar of Social Rights)

Financial, drawing on its own seven-year budget (revenue and expenditure items), through two funding lines (**European Funds**).

The distribution among states is uneven: revenues depend proportionally on their respective economic prosperity (mainly on a contribution from individual states in proportion to their Gross National Income compared to Community Gross Income); expenditures are directed at reducing the gap between the development levels of the various regions.

Legislative activity for policies results in:

A seven-year Financial Framework

Annual budget

Regulations governing the execution of EU funds and programs and, consequently, the manner and timing in which European projects are designed and implemented.

Funds, represent the mode of using the financial leverage of EU programming

it is possible to distinguish European projects :

Community programs by theme, centrally managed at the European level, with a top-down model. They pursue their specific development objectives in areas of particular interest, through forms of project financing implemented by a plurality of actors." Theme as it starts from a specific issue, i.e., from a specific condition of those affected, from the scarcity and/or lack of distribution of goods and services (as in the case of housing, care, assistance) or, again, from the occurrence of a problem that draws attention as in the examples of femicide or immigration.

Structural Funds (structural and/or area-based programming), managed in a decentralized manner at the national and regional levels, with a "shared management" model. Structural funds do not finance individual projects, but rather Operational Programs (NONational, ROPregional, cross-border or interregional

Another distinction of Funds is made relative to the **way in which funding is managed** and, consequently, the entire project life cycle (design, publication, contracting, execution, monitoring and evaluation). In fact, a distinction is made between: **Direct Management Funds** and **Indirect Management Funds**.

PGD Funds related to Direct Management Programs (call for proposals): centrally managed at the European level with an essentially top-down programming model. Those under direct management are managed by the European Commission, in particular, by the relevant Directorate General or a dedicated Executive Agency. These types of calls require the activity to have a European dimension (involving, for example, partners from several countries).

EIS Structural and Investment Funds, ESIF European Structural and Investment Funds, managed in a decentralized manner at national and regional levels, with a "shared management" model: more than 70 percent of the EU budget is managed in partnership with national and regional administrations.

For the period **2021-2027**, these Funds promote social, economic and territorial cohesion in Europe, contributing to the EU's sustainable recovery from Covid-19 and the dual green and digital transition.

European Regional Development Fund (ERDF): regional and urban development. It is one of the main financial instruments of EU cohesion policy. It aims to help even out existing disparities between the different levels of development of European regions and to improve living standards in less-favored regions. Special attention is paid to regions with severe and permanent natural or demographic disadvantages, such as the northernmost regions with very low population densities and island, cross-border and mountain regions (including Southern Italy, but also much of Ireland and parts of France and Germany).

European Social Fund (ESF) (now ESF+): social inclusion and good governance. It invests in people, paying special attention to improving training and employment opportunities throughout the European Union. Its further aim is to benefit people in more vulnerable conditions and at risk of poverty.

Cohesion Fund (CF): economic convergence of less developed regions. Provides support to member states with gross national income (GNI) per capita below 90 percent of the EU average to strengthen the EU's economic, social and territorial cohesion.

European Agricultural Fund for Rural Development (EAFRD): supports European rural development policy and, to this end, finances rural development programs carried out in all states and regions of the Union.

European Maritime and Fisheries Fund (EMFF): economic, environmental and social sustainability of the fisheries and aquaculture sector in order to reduce fishing effort and protect the marine environment.

Added to these **programs** are **Territorial Cooperation** (TC) programs: cohesion policy instruments that aim to solve problems beyond the national context and jointly develop the potential of different territories. Each Program can cover cross-border, transnational or interregional relations.

The programmatic architecture is based on the budget for the policy and the rules for its use, decided by agreement between the European Council and the European Parliament on the basis of a proposal submitted by the Commission and providing:

The **structure of the EU budget** (with respective allocations for funds and programs) for a seven-year period, given by the decision on the Multiannual Financial Framework (MFF) follows a special legislative procedure in which the decision rests with the Council with Parliament's approval;

In the EU's regular seven-year budget, the Multiannual Financial Framework (MFF) is defined as the financial allocation of resources through a system of Funds.

It provides funding to support long-term priorities in different policy areas. It establishes the total resources made available, according to the approved allocation between expenditure categories. It also defines the ceiling amounts for each year: an annual budget is subsequently approved for each individual year.

