

THE LISBON TREATY

A BRIEF GUIDE





Herman van Rompuy, President of the European Council



José Manuel Barroso, President of the EC



Jerzy Buzek, President of the European Parliament



Today, 27 members of the European Union enjoy a wealth of benefits; a free market with a currency that makes trade easier and more efficient, the creation of millions of jobs, improved workers' rights, free movement of people and a cleaner environment.

The existing rules, however, were designed for a much smaller EU, and an EU that did not have to face global challenges such as climate change, a global recession, or international cross-border crime. The EU has the potential and the commitment to tackle these problems, but can only do so by improving the way it works.

This was the purpose of the Lisbon Treaty. It makes the EU more democratic, efficient and transparent. It gives citizens and parliaments a bigger input into what goes on at a European level, and has the potential to give Europe a clearer, stronger voice in the world, while protecting national interests.

The Treaty provides for a new Citizens' Initiative, whereby citizens can, with one million signatures, petition the European Commission to advance new policy proposals.

National parliaments in each Member State are given a greater role in examining EU laws before they are passed to ensure that the EU does not overstep its mark on matters that should be dealt with at a national or local level.

The powers of the European Parliament have been increased, giving the directly elected MEPs (Members of the European Parliament) more of a say on a wider range of issues. The European Commission – the executive branch

of the EU – will continue to be formed of one Commissioner from every Member State.

And finally, two new posts – the President of the European Council with a two and a half-year mandate, and the EU High Representative for Foreign Affairs and Security Policy – will add continuity and cohesion to decision making.

A UNION FOR THE 21ST CENTURY



The Lisbon Treaty was signed by the 27 European Union Member States on 13 December 2007. Subsequently, all the EU countries were required to approve it in accordance with their national procedures. This process was finally completed in 2009, and the Treaty came into force on 1 December, 2009.

Why the Need for a New Treaty?

The EU has changed since its creation. The number of Member States has quadrupled. In the past 5 years alone, the number has almost doubled.

The world is changing fast too. Europe faces huge challenges in the 21st century including the economic crisis, climate change, sustainable development, energy security and fighting terrorism and international cross-border crime.

While drawing up the Lisbon Treaty together, Member States had in mind that the existing treaties did not equip the European Union with the tools it needs to face these challenges and deal with these changes.

- ★ The Lisbon Treaty amends and updates earlier EU treaties.

- ★ It takes account of the fact that the EU has grown from the six founding Member States to its present 27 and the many developments in the last 50 years.
- ★ The Treaty has improved working methods to ensure that the Union does its business as efficiently and effectively as possible.
- ★ The Treaty helps the EU to serve citizens' interests better, and gives them a direct say in European matters through the new Citizens' Initiative.
- ★ It protects their rights with the Charter of Fundamental Rights.
- ★ It strengthens the role of the European Parliament and gives new powers to national parliaments.
- ★ It makes decision-making at the European level more efficient.
- ★ It helps the EU to speak with a single voice in the world.
- ★ It introduces new measures to tackle pressing issues that affect the quality of life, like climate change, cross border crime and energy.
- ★ At the same time, it protects the rights of each Member State, especially in sensitive areas such as taxation and defence.

The EU's Aims and Values

The Lisbon Treaty clearly sets out the European Union's aims and values of peace, democracy, respect for human rights, justice, equality, rule of law and sustainability.

The Treaty pledges that the European Union will:

- ★ Offer people an area of freedom, security and justice without internal frontiers;

- ★ Work for the sustainable development of Europe based on balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress, with a high level of protection of the environment;
- ★ Combat social exclusion and discrimination and promote social justice and protection;
- ★ Promote economic, social and territorial cohesion, and solidarity among Member States;
- ★ Remain committed to economic and monetary union with the euro as its currency;
- ★ Uphold and promote the European Union's values in the wider world and contribute to peace, security, the sustainable development of the earth, solidarity and respect among peoples, free and fair trade, and the eradication of poverty;
- ★ Contribute to the protection of human rights, including the rights of the child, and observe international law in this field, including respect for the principles of the United Nations Charter.

These are major goals. The Lisbon Treaty is designed to give the EU the tools to achieve them.



More Democracy, More Openness

The Treaty gives citizens a stronger voice in decision making.

A new **Citizens Initiative** means that one million people – out of the EU's population of 500 million – from a number of Member States can petition the European Commission to bring forward new policy proposals. This gives them a direct say in the EU's lawmaking for the first time.

To improve information about how the EU reaches decisions, the Council of Ministers will now have to meet in public when it is considering and voting on draft legislation.

The Treaty increases the number of areas where the **European Parliament** shares decision making with the **Council of Ministers**. That means that the MEPs elected directly will have much more say in law-making and the EU Budget.

Moreover, the **national parliaments** will have greater opportunities to make a direct input into EU decision-making.

A new early warning system gives national parliaments the right to comment on draft legislation and to check that the EU does not overstep its authority by involving itself in matters best dealt with nationally or locally.

Faster, More Efficient Decision-Making

The Lisbon Treaty streamlines the EU's decision-making procedures.

In the Council of Ministers, **qualified majority voting**, instead of unanimous decisions, are

extended. This helps to make action faster and more efficient.

Qualified majority voting means that, from 2014, decisions of the Council of Ministers will need the support of 55% of the Member States, representing at least 65% of the European population. This system gives double legitimacy to decisions.

Strict rules apply to any proposals to move new policy areas to majority voting. Every Member State must agree to any such change and the national parliaments will have a right of veto.

But important policy areas such as taxation and defence continue to require a unanimous vote.

Modernising the EU's institutions

A key aim of the Lisbon Treaty is to modernise the institutions that run the EU's business and make them more democratic.

To drive forward its work on a continuous and consistent basis, Heads of State/Government have elected a **President of the European Council** for a two and a half year mandate, renewable once. This will make the EU's actions more stable.

A new position of **High Representative for Foreign and Security Policy who is also the Vice – President of the European Commission** has been created in order to promote EU action on the international scene and to be better able to defend its interests and values abroad.

The President of the Commission is to be "elected" by the European Parliament on proposal from the European Council.

The principle of a rotating Presidency is maintained in all fields except foreign affairs

and at the top level (European Council). Where the rotating Presidency continues, more stability in the EU's actions is also ensured through an 18-month programme to be drawn up by a trio of three upcoming presidencies.

The Lisbon Treaty reaffirms and updates many of the economic provisions included in earlier EU treaties. It also adds a number of important new fields. They are mentioned in the following points.

Economic Policy

The Treaty confirms the commitment to achieving Economic and Monetary Union with the euro as the EU's currency.

The euro is at present the currency of 16 Member States.

Economic and Monetary Union is a core objective of the EU. It is a vital force to ensure that Europe returns to prosperity and jobs.

The Treaty formalises the position of the European Central Bank by making it an institution of the European Union.

The European Union in the World

The EU is the world's strongest commercial power and the biggest aid donor to the developing world.

The afore-mentioned creation of a High Representative for Foreign and Security Policy/Vice-President of the Commission is supposed to lend greater consistency to the EU's external actions and enable the European Union to speak with one voice abroad. Baroness Catherine Ashton has been appointed to this top job. She is assisted by a dedicated European External Action Service which is the precursor of a full-fledged

European diplomatic service. Diplomats from EU member States are expected to join in soon.

Security and Defence

The Lisbon Treaty spells out more clearly the EU's role in the area of common foreign and security policy. Decisions on defence issues continue to need unanimous approval of the 27 EU Member States.

Missions which the EU has undertaken outside its own territory have been for the purpose of peacekeeping, conflict prevention and strengthening international security in the context of the United Nations Charter.

The Treaty extends the EU's role to include disarmament operations, military advice and assistance, and helping to restore stability after conflicts.

It also creates the possibility of enhanced cooperation between Member States that wish to work together more closely in the area of defence.

The Treaty provides that Member States will make available to the EU the civil and military capability necessary to implement the Common Security and Defence Policy and sets out the role of the European Defence Agency.

In case of armed aggression on a Member State, other Member States will now have towards it 'an obligation of aid and assistance by all the means in their power', while remaining consistent with commitments to their national security policies and, in case of membership, under the North Atlantic Treaty Organisation.

Justice and Crime

The Lisbon Treaty contains important new provisions strengthening the EU's ability to fight international cross border crime, illegal immigration, and the trafficking of people, arms and drugs.

The simplification proposed by the Lisbon Treaty means that greater transparency is brought to bear in this area. The role of the European Parliament and the Court of Justice is strengthened and decision making is speeded up via more qualified majority voting.

The new provisions, amongst others, enable the Union and Member States to ensure a more effective protection of the financial interests of the Union and fight against cross border crime.

These new provisions express respect for the different legal systems and traditions of Member States. They foresee, for example, an "emergency break" enabling a Member State not to participate in a new measure if it considers that this would affect fundamental aspects of its criminal justice system.

Exceptionally for Ireland and the United Kingdom, with their common law systems, and their border control schemes outside *Schengen*, there is a special arrangement allowing them to decide on a case by case basis whether to participate in legislation in this area.

Social Policy

The Lisbon Treaty steps up the EU's social objectives. It provides that, in all its policies and actions, the EU takes into account the promotion of a high level of employment.

The key role of economic services such as public transport, telecommunications, postal services, gas and electricity supply is recognised.

The EU's role in these areas is limited, with Member States having much room for manoeuvre to supply, operate and organise services so as to respond effectively to needs at home.

The EU is to refrain from any action that would detract from the Member States' role in providing services of general interest such as health, social services, police and security forces and state schools.

Pay, right of association and the rules for taking strike action remain a matter for Member States.

New Areas of Cooperation

In addition to the new fields of co-operation, the Treaty has important provisions in a number of policy areas especially relevant in today's world:

Sustainable Development: The Treaty gives priority to the EU's objective of promoting sustainable development in Europe, based on a high level of environmental protection and enhancement.

The Treaty pledges to promote, at an international level, measures to tackle regional and global environmental problems, in particular climate change.

Energy: The Treaty has new provisions ensuring that the energy market functions well, in particular with regards to energy supply, and that energy efficiency and savings are achieved, as well as the development of new and renewable energy sources.

For all Member States, security of energy supply is a key challenge for the future.

The Treaty affirms the EU's commitment to a united European policy on sustainable energy.

The Treaty also provides a new basis for cooperation between Member States in **sport, humanitarian aid, civil protection, tourism and space research.**

Human Rights

The Lisbon Treaty recognises the rights, freedoms and principles set out in the Charter of Fundamental Rights and makes the Charter legally binding.

The Member States signed the Charter in 2000. Now it becomes legally binding.

This means that when the EU proposes and implements legislation it must respect the rights set down in the Charter. Member States must do so too when implementing EU legislation.

Rights which everyone should enjoy include equality before the law and non-discrimination, equality between men and women, the rights of children and elderly people, personal data protection and important social rights such as protection against unfair dismissal, access to social security and social assistance, and the right to asylum.

The Treaty also allows the EU as such to accede to the European Convention on Human Rights. The Convention, and the European Court of Human Rights which oversees it, are the foundations of human rights protection in Europe.



Trade Policy after the Treaty of Lisbon

The Treaty of Lisbon widens the remit of EU trade policy through including direct foreign investment and strengthens the role of the European Parliament.

Significant Changes

The Treaty of Lisbon sets out a clear list of EU exclusive competences indicating that the Common Commercial Policy is one of them – and it extends its scope to direct foreign investments.

The Treaty of Lisbon strengthens the role of the European Parliament in the trade area as now the Council and the European Parliament decide together on autonomous changes in tariffs or quotas, or changes to important regulations such as trade defence rules or the trade barriers regulation. The right of the European Parliament to information alongside the Member States is formalised. Parliament also has to give its consent on international trade agreements.

Website

<http://ec.europa.eu/trade/>

CLIMATE CHANGE



The EU has developed ambitious internal policies in the field of climate change and is contributing to advancing the issue on the international scene. The Treaty of Lisbon explicitly introduces the climate change dimension into the environmental policy of the European Union.

The Treaty of Lisbon adds the support of international action for fighting climate change to the list of objectives defining environmental policy at EU level. By this, the Treaty clearly recognises the leading role the EU has to play in this domain.

Website

http://ec.europa.eu/environment/climat/home_en.htm

FIND OUT MORE



Inevitably the Lisbon Treaty is a lengthy document – over 300 pages in the consolidated form, including annexes and protocols. It includes many provisions of earlier EU Treaties, amended and updated. This Guide places particular emphasis on the new elements in the Lisbon Treaty.

You can download the full text of the Lisbon Treaty, the consolidated versions of the Treaties as amended by the Lisbon Treaty and find out more about it on europa.eu/lisbon_treaty/full_text/index_en.htm



EUROPEAN UNION

Delegation of the European Union to India

65 Golf Links

New Delhi-110003

Phone: +91-11-24629237/38

Fax: +91-11-24629206

Website: <http://www.delind.ec.europa.eu/index.asp>