

## **Possibilities for Upgrading Inter-parliamentary Cooperation after the 2014 European Elections**

### **The Status Quo of Inter-parliamentary Cooperation**

At inter-parliamentary conferences, members of national parliaments (MPs) and Members of the European Parliament (MEPs) meet in an organised and recurrent setting to discuss topics of common interest. The functions of these conferences are to examine decisions taken at the EU level, attempt to counter-balance the decline of national parliamentary sovereignty over EU matters, constitute an institutional expression of political support and opposition, and socialise MPs in order to Europeanise the control exercised at national level and within highly national frameworks.

Today, there are various inter-parliamentary settings. Most are organised by the European Parliament and its Directorate for Relations with National Parliaments. This may occur jointly with the parliament of the country holding the European Council presidency. In the case of the Speakers' Conference<sup>1</sup> and the meetings between the chairs of committees, however, it is the national parliament of the Member State currently holding the rotating presidency of the Council which is the sole organiser.<sup>2</sup>

As inter-parliamentary cooperation has gained in prominence, however, it has fallen into stalemate—most recently because of disagreements over the institutional design of an inter-parliamentary conference to discuss budgetary policies and other issues covered by the Treaty on Stability, Coordination and Governance (TSCG), or Fiscal Compact.<sup>3</sup> On 1 January 2013 the TSCG

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<sup>1</sup> The Conference of Speakers of EU Parliaments gathers the Speakers of the parliaments of the EU Member States and the president of the European Parliament; the body which assumes the de facto leading role in inter-parliamentary relations.

<sup>2</sup> Ireland and Lithuania in 2013, Greece and Italy in 2014.

<sup>3</sup> V. Kreiling, *The New Inter-parliamentary Conference for Economic and Financial Governance*, Notre Europe—Jacques Delors Institute, Paris, 2013.

came into force, but diverging preferences among national parliaments and opposition from the European Parliament around the internal organisation of the conference have hampered the smooth implementation of the treaty's provisions.<sup>4</sup>

Such divergences between MPs and MEPs are not new. Disagreements typically oscillate around general questions of legitimacy, basic issues such as the formal weight to be given to the two parliamentary levels, and around the competences and objectives of such a conference. For instance, it was reported that, during discussions on the Inter-parliamentary conference for the Common Foreign and Security Policy (CFSP) and the Common Security and Defence Policy (CSDP), set up in 2012, European Parliament initially claimed 54 out of 162 seats.<sup>5</sup> And yet, the development of the Conference of Parliamentary Committees for Union Affairs of Parliaments of the EU (COSAC) suggests that parliaments will not always make use of their participation rights.

An analysis of participation rates at the last seven COSAC meetings, from 2009 to 2013, shows a considerable variation across EU Member States.<sup>6</sup> These national variations illustrate the—at best—ambiguous interest of national parliamentarians in EU matters. Today, then, it is hardly controversial to note that relations between national parliaments “will not develop into a balanced multilateral interplay including parliaments from all member states on the same footing.”<sup>7</sup> The number of MPs participating in the Interparliamentary conference on Economic and Financial Governance, that took place on 16 and 17 October 2013, also varied greatly, particularly when

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<sup>4</sup> The article in question, Article 13 of the TSCG, states: “As provided for in Title II of Protocol (No 1) on the role of national parliaments in the European Union annexed to the European Union treaties, the European Parliament and the national parliaments of the contracting parties will together determine the organisation and promotion of a conference of representatives of the relevant committees of the European Parliament and representatives of the relevant committees of national parliaments in order to discuss budgetary policies and other issues covered by this Treaty.” Treaty on Stability, Coordination and Governance, [www.consilium.europa.eu](http://www.consilium.europa.eu).

<sup>5</sup> See: M. Hilger, *Parliamentary Scrutiny of the CFSP/CSDP*, Parlements Sécurité Défense Europe/PSDE, 2011.

<sup>6</sup> V. Kreilinger, *op. cit.*, p. 5. According to the Rules of Procedure of COSAC, each national parliament and the European Parliament can send six members.

<sup>7</sup> A. Benz, “Linking Multiple Demoi: Inter-parliamentary Relations in the EU,” *IEV-Online*, no. 1, 2011, p. 11.

the earlier Speakers' Conference had explicitly stated that "the composition and size of each delegation rests upon each Parliament."<sup>8</sup>

Table 1.

**Number of participants in the Inter-parliamentary Conference  
on Economic and Financial Governance (16–17 October 2013)**

Austria	4	<b>Germany</b>	<b>11</b>	<b>Poland</b>	<b>6</b>
Belgium	3	Greece	4	<b>Portugal</b>	<b>6</b>
<b>Bulgaria</b>	<b>0</b>	Hungary	3	Romania	3
Croatia	2	Ireland	2	<b>Slovakia</b>	<b>0</b>
Cyprus	2	<b>Italy</b>	<b>5</b>	Slovenia	4
The Czech Republic	2	Latvia	1	Spain	4
Denmark	1	<b>Lithuania</b>	<b>9</b>	Sweden	2
Estonia	1	<b>Luxembourg</b>	<b>0</b>	The United Kingdom	3
Finland	2	Malta	2	European Parliament	8
<b>France</b>	<b>6</b>	The Netherlands	2		

Source: List of Participants: Interparliamentary Conference on Economic and Financial Governance of the European Union, 16–17 October 2013, [http://renginiai.lrs.lt/renginiai/EventDocument/0f6147e3-6125-40b9-93d8-edc7c31e085f/List%20of%20Participants%202013%2010%2017\\_EN.pdf](http://renginiai.lrs.lt/renginiai/EventDocument/0f6147e3-6125-40b9-93d8-edc7c31e085f/List%20of%20Participants%202013%2010%2017_EN.pdf).

Three small Member States (Bulgaria, Luxembourg<sup>9</sup> and Slovakia) did not send a single MP to the October TSCG Conference, whereas Lithuania had a large delegation (it was holding the rotating presidency). The German delegation was composed of 11 members of the Bundestag and Bundesrat (coalition negotiations were still ongoing at the time, and the Bundestag had yet to be constituted). France, Poland and Portugal were represented by six MPs each, and Italy sent five.<sup>10</sup>

In short, the stalemate and the developments around the establishment of the TSCG conference again show the European Parliament's reluctance towards such inter-parliamentary conferences, and the repeated failure of

<sup>8</sup> "Presidency Conclusions of the Conference of Speakers of EU Parliaments," Nicosia, 21–23 April 2013, p. 5, para. 8.

<sup>9</sup> There was one participating civil servant from Luxembourg.

<sup>10</sup> Incidentally, the numbers are similar to the participation in COSAC where a maximum delegation size of six is set: while Italy, Austria and Portugal usually send six MPs, other Member States only send an average of two (Hungary, Latvia and Malta) which indicates that some parliaments give a higher emphasis to inter-parliamentary cooperation and inter-parliamentary conferences than others. V. Kreilinger, *op. cit.*, p. 5.

national parliaments to be collective players at the EU level.<sup>11</sup> No wonder, then, that national parliaments have been seen as the “losers or latecomers”<sup>12</sup> on their way to Europe, only later learning “to fight back.”<sup>13</sup> They had the possibility to articulate their positions on the implementation of the Article 13 of the TSCG, individually and in sub-groups, but they could not agree on a common position.<sup>14</sup>

### **Refuting the Three Main Arguments against Inter-parliamentary Cooperation**

These difficulties reflect three main reservations. Firstly, the European Parliament or national parliaments would lose their individual scrutiny prerogatives if inter-parliamentary structures were strengthened. Second, the euro is the currency of the EU, and thus the European Parliament should be solely responsible for democratic control of the Economic and Monetary Union. Third, the veto power of individual national parliaments is preferable to strengthening inter-parliamentary cooperation.

**The distribution of parliamentary prerogatives is not a zero-sum game.** The major misunderstanding with respect to parliaments in a multilevel system is to think about the distribution of parliamentary prerogatives as a zero-sum game. This idea seems to prevail in the European Parliament, where any kind of inter-parliamentary body is seen, on the basis of the Article 13 of the TSCG, as a threat to its own role in economic and financial governance.

Reality is different: if an inter-parliamentary body exercises control then, by definition, national parliaments and the European Parliament have been empowered or at least have expanded their potential range of influence. Even if an inter-parliamentary conference did acquire some formal competences, we could only talk about a zero-sum game in one specific and unlikely

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<sup>11</sup> V. Kreilinger, *op. cit.*, p. 17.

<sup>12</sup> A. Maurer, W. Wessels (eds.), *National Parliaments on Their Ways to Europe: Losers or Latecomers?*, Nomos, Baden-Baden, 2001.

<sup>13</sup> T. Raunio, S. Hix, “Backbenchers Learn to Fight Back: European Integration and Parliamentary Government,” *West European Politics*, vol. 23, no. 4, 2000, pp. 142–168.

<sup>14</sup> “[An] analysis of preferences and coalition building among the 40 national parliaments of the 27 member states shows that a compromise was not guaranteed. Their diverging positions and profound disagreement about how to implement the provision about a ‘conference’ that has the objective to ‘discuss’ meant that it would be difficult to reach a consensus that was acceptable to all national parliaments and to the European Parliament that had taken a very lukewarm position ... earlier,” V. Kreilinger, *op. cit.*, p. 14.

case: if another parliamentary level had to abandon its competences and these were transferred to a level where it had no representation at all. In the present case, however, there is no such erosion of powers or transfer from one parliamentary level to a higher body.

Moreover, some decisions in the Economic and Monetary Union are today taken without proper parliamentary control at any level. Who controls the European Stability Mechanism (whose mandate is to safeguard financial stability in Europe by providing financial assistance to eurozone Member States)? Who holds to account the Eurogroup (the finance ministers of eurozone countries)? Who has the power to control decisions taken at European Council meetings or Euro summits? Who scrutinises the actions of the European Central Bank?

The heads of all these bodies appear before the European Parliament, either before the plenary or before a committee. Efforts to improve this situation would not come at the expense of either parliamentary level (the European Parliament or national parliaments) and thus we cannot speak about a zero-sum game here either. Inter-parliamentary cooperation does not take away competences. Indeed, it can help to fill a control gap, but only if the constituting parliaments overcome their old reflexes and participate properly.<sup>15</sup>

**The European Parliament cannot guarantee democratic control on its own.** In the Thyssen Report, adopted by the European Parliament in November 2012, the possibility of creating a mixed parliamentary body is described in gloomy terms: inter-parliamentary cooperation should “not be seen as the creation of a new mixed parliamentary body which would be both ineffective and illegitimate on a democratic and constitutional point of view” and (only) the European Parliament, “as parliamentary body at the union level for a reinforced and democratic EMU governance,”<sup>16</sup> has full democratic legitimacy.

The European Commission echoes this view in the Blueprint for a Deep and Genuine Economic and Monetary Union, which notes that “The role of national parliaments will always remain crucial in ensuring the legitimacy of

<sup>15</sup> V. Kreiling, *op. cit.*, p. 14.

<sup>16</sup> European Parliament, “Towards a Genuine Economic and Monetary Union,” Report with recommendations to the Commission on the report of the Presidents of the European Council, the European Commission, the European Central Bank and the Eurogroup ((2012/2151(INI)), para. 19), October 2012.

Member States' action .... Cooperation between the European Parliament and national parliaments is also valuable: it builds up mutual understanding and common ownership for EMU as a multi-level governance system .... Inter-parliamentary cooperation as such does not, however, ensure democratic legitimacy for EU decisions. That requires a parliamentary assembly, representatively composed, in which votes can be taken. The European Parliament, and only it, is that assembly for the EU and hence for the euro."<sup>17</sup>

Again, reality is rather different. An inter-parliamentary conference on economic and financial governance has the advantage of being able to pool (and maybe share) parliamentary expertise in cases where sovereignty is pooled or shared already: the institutional architecture of the EMU, with monetary policy as an exclusive competence of the EU, and with economic policies remaining broadly in the national domain, albeit under conditions of close coordination, calls for more and better parliamentary control of the actions carried out by the executives (national governments and EU institutions).<sup>18</sup>

Clearly, the European Parliament is not the institution to hold national decision makers accountable in matters of economic policy; this is the task of national parliaments. But whenever there are mixed bodies, they have the advantage of combining both parliamentary levels. If the German finance minister acts at the EU level in the Eurogroup or on the Board of the European Stability Mechanism, he will obviously be under the scrutiny of the Bundestag, but there would also be hearings by an inter-parliamentary body, which would include MEPs and MPs from other national parliaments.

At the same time, the Economic and Monetary Union is indeed becoming more integrated and is turning into a genuine Economic and Monetary Union. Consequently, genuine parliamentary control, composed of both MEPs and MPs, is necessary to ensure democratic control and accountability. The European Semester, along with the Six-Pack and the Two-Pack, already restricts the policy options that are available in terms of the budgetary choices and economic policy at the national level.

**Veto power for each national parliament is not a solution.** It is true that many decisions concerning economic and fiscal policy coordination taken by the heads of state and government, or by their finance ministers,

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<sup>17</sup> European Commission, "A Blueprint for a Deep and Genuine Economic and Monetary Union: Launching a European Debate," COM (2012) 777 final, 2012, p. 35.

<sup>18</sup> V. Kreilinger, *op. cit.*, p. 13.

slip under the radar of certain parliaments. It is also true that this leads to a democratic deficit at the national level. It is, however, neither necessary nor appropriate for everyone to become the Bundestag or the Folketing and gain the set of tough parliamentary control mechanisms that apply to EU legislation in Denmark or Germany with respect to rescue packages for eurozone Member States.

With a (too) strong convergence of the competences of national parliaments in economic and financial governance, with the strongest national parliament(s) as the benchmark “the EMU might become altogether ungovernable.”<sup>19</sup> A feasible solution is deeply informed oversight at the national level, ideally linked to the European Semester, to European Council meetings (and the Euro summits at their margins) and to key Eurogroup meetings, with an increased awareness of the issues at stake and of the functioning of economic and financial governance while allowing the government some room for manoeuvre.<sup>20</sup>

### **Upgrading Inter-parliamentary Cooperation: When and How?**

Many MPs who are in favour of strengthening inter-parliamentary cooperation are looking to the European elections in May 2014, and hope for a more flexible position for their European counterparts after the elections. Obviously, the campaign accompanying the European elections will not be about a minor institutional issue such as inter-parliamentary cooperation. But, once the inter-parliamentary setting undergoes changes following a new term in the European Parliament, this will also affect policies and positions.

Over the last few years, national parliamentary elections shifted the political balance of power to the centre-left in many Member States. It is possible that this will also happen at the European elections, as the centre-right majority (EPP, ALDE and ECR) currently formed in the European Parliament on economic policy issues might no longer have a majority, and a grand coalition on these issues will become more likely.<sup>21</sup> This grand

<sup>19</sup> C. Deubner, *The Difficult Role of Parliaments in the Reformed Governance of the EU Economic and Monetary Union*, Foundation of European Progressive Studies, Brussels, 2013, p. 35.

<sup>20</sup> C. Heffler, V. Kreilinger, O. Rozenberg, W. Wessels, *National Parliaments: Their Emerging Control over the European Council*, Notre Europe—Jacques Delors Institute / Trans European Policy Studies Association (TEPSA), Paris—Brussels, 2013, pp. 12–14.

<sup>21</sup> Y. Bertoncini, V. Kreilinger, *The Political Balance of Power in the Next European Parliament*, Notre Europe—Jacques Delors Institute, Paris, 2013.

coalition of MEPs would then meet a grand coalition of MPs, and they could more easily agree on both policy issues and institutional questions.

Moreover, with a new mandate after the elections to the European Parliament, and growing awareness of the fact that its internal organisation is not sufficiently adapted to the needs of the Economic and Monetary Union, MEPs might recognise the sense of establishing a subcommittee in the EP, dedicated to eurozone matters.<sup>22</sup> “Meeting on a regular basis to monitor all the aspects of the EMU governance,”<sup>23</sup> this subcommittee would be the partner for a dialogue with the national parliaments, act as an agenda setter in inter-parliamentary cooperation, and even “lead” the parliaments of the EU.

Two tasks are on the table. The first is to make the TSCG forum work by the implementation of the (albeit imperfect) compromise of the Speakers’ Conference in Nicosia in April 2013,<sup>24</sup> concerning its internal functioning.

The institutional design for the new inter-parliamentary conference has been flawed since the compromise at the Speakers’ Conference in Nicosia,<sup>25</sup> but the current deadlock is worsening the situation: it effectively means the absence of *any* institutional design. Yet the model of the CFSP/CSDP conference provides some kind of blueprint, being well-suited for all inter-parliamentary conferences since it allows each delegation (six MPs) to include representatives from all major political parties, as well as specialised MPs (such as committee chairs) and those from neighbouring policy areas, who would be able to develop new perspectives on certain issues.

In terms of competences, it seems logical for the inter-parliamentary conference to have the possibility to adopt non-binding conclusions, even by a qualified majority of three quarters, if consensus cannot be achieved,<sup>26</sup> and it should use that possibility in an ambitious and pro-active way. The key activity of such a conference lies in its capacity to implement a genuine

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<sup>22</sup> Y. Bertoincini, *Eurozone and Democracy(ies): A Misleading Debate*, Notre Europe—Jacques Delors Institute, Paris, 2013, pp. 23–24.

<sup>23</sup> Y. Bertoincini, *The Parliaments of the EU and the Governance of the EMU*, Notre Europe—Jacques Delors Institute, Paris, 2013, pp. 4–5.

<sup>24</sup> V. Kreilinger, O. Rozenberg, “The Inter-parliamentary Conference on Economic and Financial Governance,” in: House of Lords (ed.), *The Role of National Parliaments in the European Union: Written Evidence*, London, 2013, pp. 118–121.

<sup>25</sup> *Presidency Conclusions of the Conference of Speakers of EU Parliaments*, Nicosia, 21–23 April 2013.

<sup>26</sup> Seimas of the Republic of Lithuania, *Draft of the Rules of Procedure of the Inter-parliamentary Conference on Economic and Financial Governance of the European Union*, Vilnius, 2013, www.lrs.lt.



accountability mechanism, rather than in taking binding decisions. European decision-makers should be publicly heard, questioned and even criticised by the conference.<sup>27</sup>

In the second semester of 2015 the idea to evaluate the workings of the inter-parliamentary conference, as indicated in the draft rules of procedure, should be used.<sup>28</sup> Drawing on a provision in the Rules of Procedure of the conference on CSFP/CSDP, this idea should be revived in order to find a consensus beyond the lowest common denominator in order to agree on the final internal composition of the Article 13 of the TSCG inter-parliamentary conference soon.

The second task is to improve the timing, visibility, participation, and frequency of all inter-parliamentary conferences. Only so can they be effective.

Whenever possible, inter-parliamentary conferences should meet before European Council meetings that address these policy fields, in order to allow the conference to give input on the agenda of the summits.<sup>29</sup> The president of the European Council has introduced “thematic” European Council meetings. The Common Security and Defence Policy was the topic for December 2013, for example. The Interparliamentary Conference for CFSP/CSDP that met in Vilnius in September 2013 thus came too early to influence the agenda of the summit.

Inter-parliamentary cooperation could take place more often than twice a year and, despite hesitations, the conferences would be well-advised to try to extend their prerogatives and exploit the option to convene extraordinary meetings, although “given the complexity to convene such a large body [it] is hard to imagine that it will be used often.”<sup>30</sup> Convening an inter-parliamentary conference on economic and financial governance shortly before ordinary European Council meetings that address ECOFIN issues would allow the conference to give input on the summit agenda, and to increase the visibility of the conference. The example of the COSAC indicates how crucial it is to position such meetings in the wider agenda of the EU. Such timing

<sup>27</sup> V. Kreiling, O. Rozenberg, *op. cit.*, pp. 118–121.

<sup>28</sup> Seimas of the Republic of Lithuania, *op. cit.*

<sup>29</sup> C. Heffler, V. Kreiling, O. Rozenberg, W. Wessels, *op. cit.*, p. 15.

<sup>30</sup> D. Liszczyk, “Dealing with the EU Democratic Deficit: Lessons from the Inter-parliamentary Conference for CFSP/CSDP,” *Bulletin PISM*, no. 53 (506), 20 May 2013, p. 2.

would also constitute a strong incentive for MPs to participate actively in the conference.<sup>31</sup>

The motivation of MPs and MEPs to participate in an inter-parliamentary conference is obviously linked to the prerogatives of any given conference. “Is an inter-parliamentary conference attractive for national MPs? This concerns the value of the discussions and their visibility.”<sup>32</sup> Parliamentary control is not only about decision-making, but debating and arguing are also essential parts of parliamentary life, especially in Nordic countries.<sup>33</sup> Finally, the summits of the European political party families that take place before European Council meetings “could have a specific parliamentary dimension, for instance through meetings of the chairs [or vice-chairs] of European affairs committees or budget committees from the same political family.”<sup>34</sup> MEPs would join them.

So far, inter-parliamentary cooperation has had a low profile, and its role should be enhanced by implementing at least four measures:<sup>35</sup> exhaust the prerogatives, adopt conclusions by a majority of three quarters,<sup>36</sup> improve the timing of the conferences with respect to European Council meetings, and rely on the networks of European political parties to ensure truly transnational partisan conferences, and not only international conferences where those with the same passport stick together. “Is an inter-parliamentary conference attractive for national MPs?”<sup>37</sup> Obviously, a low profile negatively affects the motivation of MPs and MEPs to participate in an inter-parliamentary conference.

### **Conclusion: Exploit the Possibilities, Business as Usual, Bypass Existing Structures?**

Since the start of the crisis, rescue packages, as well as the reforms imposed by the Troika of the IMF, the EU and the ECB (that have introduced more solidarity and more control), and the Six-Pack / Two-Pack with the

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<sup>31</sup> V. Kreilinger, O. Rozenberg, *op. cit.*, pp. 118–121.

<sup>32</sup> C. Deubner, V. Kreilinger, *The Role and Place of Parliaments in a Genuine Economic and Monetary Union*, Notre Europe—Jacques Delors Institute, Paris, 2013, p. 7.

<sup>33</sup> *Ibidem*.

<sup>34</sup> C. Heffler, V. Kreilinger, O. Rozenberg, W. Wessels, *op. cit.*, p. 15.

<sup>35</sup> V. Kreilinger, *op. cit.*, p. 19.

<sup>36</sup> As proposed in the draft Rules of Procedures for the Inter-parliamentary conference on Economic and Financial Governance, prepared by the Lithuanian parliament, that were not adopted.

<sup>37</sup> C. Deubner, V. Kreilinger, *op. cit.*, p. 7.

European Semester have had a huge impact on the available policy options for many national parliaments with respect to fiscal and economic policies. The months after the European elections may not be another missed opportunity. Upgrading inter-parliamentary cooperation after the May 2014 European elections is a joint task for parliaments at both levels.

The election campaign with “lead candidates” running for the Commission presidency also boosts cooperation between the national parties of the European political party families. Such a “greater cooperation between parties of different Member States, and between MPs and MEPs, should allow parliaments to act more quickly and efficiently.”<sup>38</sup> This would be a very welcome side effect of the 2014 European elections, the first to take place under more closely coordinated fiscal and economic policies, imposing limits to the policy options available to national parliaments.

The parliaments in the EU are facing a choice. They may exploit the existing possibilities, continue business as usual (possibly with declining participation in inter-parliamentary cooperation, so no change), or bypass existing inter-parliamentary structures. The last and most extreme scenario would mean that some national parliaments, for example the six founding members or the Member States that have adopted the euro, create their own conference, with serious repercussions to “pre-in” countries, to the EU institutions, and to the inclusiveness of economic and financial governance. The second option (business as usual) does not help building a genuine Economic and Monetary Union either. Only the first scenario would help reduce the existing weakness in democratic accountability and legitimacy, both in general, and especially in connection with the genuine EMU in the making. “Whenever an issue concerns the currency, taxation or the welfare system, parliament must be brought into the debate in one way or another.”<sup>39</sup> An inter-parliamentary conference as a place to discuss these policies could have the positive effect of gradually becoming an arena in which the future direction of the union’s economic policy is shaped.

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<sup>38</sup> A. Gostyńska, R. Parkes, “The May 2014 Elections: Towards a Europe of Political Party Family Competition,” *Bulletin PISM*, no. 137 (590), 16 December 2013, p. 2.

<sup>39</sup> J. Delors, *Rethinking the EMU and Making Greater Europe Positive Again*, Notre Europe —Jacques Delors Institute, Paris, 2013, p. 4.