

EU/EC Treaties

after Nice

- The short reader-friendly edition with the most important articles of the EU/EC treaties as amended by the Treaty of Nice

Easy to skim

Easy to look up

Everything new from Nice has been marked in **bold**

Important words are underlined

Text in **red in the margins** gives you a good overview and explains the articles.

An extensive index makes it easy to look up what you want

EUobserver.com is an on-line news service providing daily news updates on European Union affairs. The news is available via the Internet, free of charge.
www.euobserver.com

EUbookshop.com publishes, promotes and distributes EU related books, studies, magazines and reference books via the Internet. www.eubookshop.com

EU/EC treaties

-The short readerfriendly edition with the most important articles

Editor: Jens-Peter Bonde

e-mail: jp@bonde.dk

www.bonde.com

Cover: Lars Bech-Jessen

Publisher: EUobserver.com

www.eubookshop.com

Print: NOTAT Grafisk

2nd edition 2002

ISBN: 87-87692-77-5

Read also Bonde's popular book

Nice Treaty explained

with preface by Romano Prodi

EU/EC treaties

- THE MOST IMPORTANT ARTICLES

The Treaty of Nice was finally adopted on 26 February 2001 after five days of negotiation at the summit in Nice in December 2000. Ireland rejected the Treaty in a first referendum on 7th of June 2001, but accepted it in a second referendum on 19th of October 2002.

The Treaty of Nice consists of additions and changes to the existing treaties. Therefore the Treaty of Nice can only be truly understood when it is compared with the existing treaties.

The Treaty is difficult to understand, even for experts. Therefore we have made a collection of those articles which seemed to be the most important. Furthermore, we have tried to make it easier to understand by adding the following tools:

1. All additions to the existing treaties are written in **bold**.
2. The most important words are underlined in this version (but not in the official Treaty). Underlining makes it easier to go through the articles and find what you are looking for.
3. Keywords and explanations have been added as blue text. They too are not part of the official version. However, it makes it easier to read because the reader does not have to look up all the references in order to remember, for example, what has been decided regarding qualified majority voting in the Treaty.
4. After each number TEU or TEC is written, referring to the Treaty on European Union and the Treaty establishing the European Community.
5. Underlining and text in the margin have only been made from "an easy to read perspective". They have been reviewed by John Fitzmaurice, advisor in the European Commission.

Jens-Peter Bonde, December 2002

SHORT CONSOLIDATED VERSION OF THE TREATY ON EUROPEAN UNION

TITLE I: COMMON PROVISIONS

ARTICLE 1 (ex Article A) TEU

By this Treaty, the HIGH CONTRACTING PARTIES establish among themselves a EUROPEAN UNION, hereinafter called "the Union".

Transparency

This Treaty marks a new stage in the process of creating an ever closer union among the peoples of Europe, in which decisions are taken as openly as possible and as closely as possible to the citizen.

Closeness

The Union shall be founded on the European Communities, supplemented by the policies and forms of cooperation established by this Treaty. Its task shall be to organise, in a manner demonstrating consistency and solidarity, relations between the Member States and between their peoples.

Solidarity

ARTICLE 2 (ex Article B) TEU

The Union shall set itself the following objectives:

Objectives of the Union

Employment and social cohesion

to promote economic and social progress and a high level of employment and to achieve balanced and sustainable development, in particular through the creation of an area without internal frontiers, through the strengthening of economic and social cohesion and through the establishment of economic and monetary union, ultimately including a single currency in accordance with the provisions of this Treaty;

Single currency

Common defence

to assert its identity on the international scene, in particular through the implementation of a common foreign and security policy including the progressive framing of a common defence policy, which might lead to a common defence, in accordance with the provisions of Article 17;

Citizenship of the Union

to strengthen the protection of the rights and interests of the nationals of its Member States through the introduction of a citizenship of the Union;

Common external borders

to maintain and develop the Union as an area of freedom, security and justice, in which the free movement of persons is assured in conjunction with appropriate measures with respect to external border controls, asylum, immigration and the prevention and combating of crime;

Extension of existing community law

to maintain in full the acquis communautaire and build on it with a view to considering to what extent the policies and forms of cooperation introduced by this Treaty may need to be revised with the aim of ensuring the effectiveness of the mechanisms and the institutions of the Community.

Subsidiarity

The objectives of the Union shall be achieved as provided in this Treaty and in accordance with the conditions and the timetable set out therein while respecting the principle of subsidiarity as defined in Article 5 of the Treaty establishing the European Community.

Lex Austria provision

ARTICLE 7 (ex Article F.1) TEU

4/5 majority

1. On a reasoned proposal by one third of the Member States, by the European Parliament or by the Commission, the Council, acting by a majority of four-fifths of its members after obtaining the assent of the European Parliament, may determine that there is a clear risk of a serious breach by a Member State of principles mentioned in Article 6(1), and address appropriate recommendations to that State. Before making such a determination, the Council shall hear the Member State in question and, acting in accordance with the same procedure, may call on independent persons to submit within a reasonable time limit a report on the situation in the Member State in question.

Recommendations

Independent report

Verification

The Council shall regularly verify that the grounds on which such a determination was made continue to apply.

Serious breach determined unanimously

2. The Council, meeting in the composition of the Heads of State or Government and acting by unanimity on a proposal by one third of the Member States or by the Commission and after obtaining the assent of the European Parliament, may determine the existence of a serious and persistent breach by a Member State of principles mentioned in Article 6(1), after inviting the government of the Member State in question to submit its observations.

May lose voting rights by qualified majority

3. Where a determination under paragraph 2 has been made, the Council, acting by a qualified majority, may decide to suspend certain of the rights deriving from the application of this Treaty to the Member

Obligations remain binding

Suspension by qualified majority

Not take the accused country into account

2/3 majority in the EP

EU-Summits determine
-principles
-guidelines
-defence
-strategies

Objectives and means

Guidelines from EU-Summits

State in question, including the voting rights of the representative of the government of that Member State in the Council. In doing so, the Council shall take into account the possible consequences of such a suspension on the rights and obligations of natural and legal persons. The obligations of the Member State in question under this Treaty shall in any case continue to be binding on that State.

4. The Council, acting by a qualified majority, may decide subsequently to vary or revoke measures taken under paragraph 3 in response to changes in the situation which led to their being imposed.

5. For the purposes of this Article, the Council shall act without taking into account the vote of the representative of the government of the Member State in question. Abstentions by members present in person or represented shall not prevent the adoption of decisions referred to in paragraph 2. A qualified majority shall be defined as the same proportion of the weighted votes of the members of the Council concerned as laid down in Article 205(2) of the Treaty establishing the European Community. This paragraph shall also apply in the event of voting rights being suspended pursuant to paragraph 3.

6. For the purposes of **paragraphs 1 and 2**, the European Parliament shall act by a two-thirds majority of the votes cast, representing a majority of its members.

TITLE V: PROVISIONS ON A COMMON FOREIGN AND SECURITY POLICY

ARTICLE 13 (ex Article J.3) TEU

1. The European Council shall define the principles of and general guidelines for the common foreign and security policy, including for matters with defence implications.

2. The European Council shall decide on common strategies to be implemented by the Union in areas where the Member States have important interests in common.

Common strategies shall set out their objectives, duration and the means to be made available by the Union and the Member States.

3. The Council shall take the decisions necessary for defining and implementing the common foreign and security policy on the basis of the general guidelines defined by the European Council.

The Council determines
- joint actions
- common positions
- ensures unity

The Council shall recommend common strategies to the European Council and shall implement them, in particular by adopting joint actions and common positions.

The Council shall ensure the unity, consistency and effectiveness of action by the Union.

ARTICLE 14 (ex Article J.4) TEU

Joint actions
Operational action

1. The Council shall adopt joint actions. Joint actions shall address specific situations where operational action by the Union is deemed to be required. They shall lay down their objectives, scope, the means to be made available to the Union, if necessary their duration, and the conditions for their implementation.

To continue until a decision is taken

2. If there is a change in circumstances having a substantial effect on a question subject to joint action, the Council shall review the principles and objectives of that action and take the necessary decisions. As long as the Council has not acted, the joint action shall stand.

Binding

3. Joint actions shall commit the Member States in the positions they adopt and in the conduct of their activity.

The Commission may participate

4. The Council may request the Commission to submit to it any appropriate proposals relating to the common foreign and security policy to ensure the implementation of a joint action.

Duty to inform
- possible consultation

5. Whenever there is any plan to adopt a national position or take national action pursuant to a joint action, information shall be provided in time to allow, if necessary, for prior consultations within the Council. The obligation to provide prior information shall not apply to measures which are merely a national transposition of Council decisions.

- safeguard measures

Shall inform immediately

6. In cases of imperative need arising from changes in the situation and failing a Council decision, Member States may take the necessary measures as a matter of urgency having regard to the general objectives of the joint action. The Member State concerned shall inform the Council immediately of any such measures.

Loyalty

7. Should there be any major difficulties in implementing a joint action, a Member State shall refer them to the Council which shall discuss them and seek appropriate solutions. Such solutions shall not run counter to the objectives of the joint action or impair its effectiveness.

Progressive common

ARTICLE 17 (ex Article J.7) TEU

defence policy
Common defence
may be decided by
EU summit
-but may require
national ratification

- respects NATO

- armaments

- crisis management
- peacemaking

Closer cooperation
in Western European
Union and NATO

New inter-
governmental
conference to amend
the Treaty

Presidency shall
represent and

Implement

1. The common foreign and security policy shall include all questions relating to the security of the Union, including the progressive framing of a common defence policy, which might lead to a common defence, should the European Council so decide. It shall in that case recommend to the Member States the adoption of such a decision in accordance with their respective constitutional requirements.

The policy of the Union in accordance with this Article shall not prejudice the specific character of the security and defence policy of certain Member States and shall respect the obligations of certain Member States, which see their common defence realised in the North Atlantic Treaty Organisation (NATO), under the North Atlantic Treaty and be compatible with the common security and defence policy established within that framework.

The progressive framing of a common defence policy will be supported, as Member States consider appropriate, by cooperation between them in the field of armaments.

2. Questions referred to in this Article shall include humanitarian and rescue tasks, peacekeeping tasks and tasks of combat forces in crisis management, including peacemaking.

3. Decisions having defence implications dealt with under this **Article** shall be taken without prejudice to the policies and obligations referred to in paragraph 1, **second** subparagraph.

4. The provisions of this Article shall not prevent the development of closer cooperation between two or more Member States on a bilateral level, in the framework of the **Western European Union (WEU)** and **NATO**, provided such cooperation does not run counter to or impede that provided for in this Title.

5. With a view to furthering the objectives of this Article, the provisions of this Article will be reviewed in accordance with Article 48.

ARTICLE 18 (ex Article J.8) TEU

1. The Presidency shall represent the Union in matters coming within the common foreign and security policy.

2. The Presidency shall be responsible for the implementation of decisions taken under this Title; in that capacity it shall in principle

express the position of the Union in international organisations and international conferences.

The High Representative (Solana's post)

3. The Presidency shall be assisted by the Secretary-General of the Council who shall exercise the function of High Representative for the common foreign and security policy.

The Commission Succeeding Presidency

4. The Commission shall be fully associated in the tasks referred to in paragraphs 1 and 2. The Presidency shall be assisted in those tasks if need be by the next Member State to hold the Presidency.

Special representative

5. The Council may, whenever it deems it necessary, appoint a special representative with a mandate in relation to particular policy issues.

ARTICLE 23 (ex Article J.13) TEU

Voting rules
Unanimity
-abstain from voting

1. Decisions under this Title shall be taken by the Council acting unanimously. Abstentions by members present in person or represented shall not prevent the adoption of such decisions. When abstaining in a vote, any member of the Council may qualify its abstention by making a formal declaration under the present subparagraph. In that case, it shall not be obliged to apply the decision, but shall accept that the decision commits the Union. In a spirit of mutual solidarity, the Member State concerned shall refrain from any action likely to conflict with or impede Union action based on that decision and the other Member States shall respect its position. If the members of the Council qualifying their abstention in this way represent more than one third of the votes weighted in accordance with Article 205(2) of the Treaty establishing the European Community, the decision shall not be adopted.

- declaration on abstention
- the Union is committed
- obligation of solidarity

- 2/3 weighted majority

Qualified majority of at least 10 countries

2. By derogation from the provisions of paragraph 1, the Council shall act by qualified majority:

when appointing a special representative in accordance with Article 18(5).

- actions
- positions
- decisions
- implements

when adopting joint actions, common positions or taking any other decision on the basis of a common strategy;

when adopting any decision implementing a joint action or a common position.

Right of veto at European summit

If a member of the Council declares that, for important and stated reasons of national policy, it intends to oppose the adoption of a decision to be taken by qualified majority, a vote shall not be taken. The Council may, acting by a qualified majority, request that the matter be referred to the European Council for decision by unanimity.

Before enlargement 62 out of 87 votes, to be changed in 2005 to 170 out of up to 345

The votes of the members of the Council shall be weighted in accordance with Article 205(2) of the Treaty establishing the European Community. For their adoption, decisions shall require at least 62 votes in favour, cast by at least 10 members.

Does not apply to military decisions

This paragraph shall not apply to decisions having military or defence implications.

8 out of 15 countries - procedural questions

3. For procedural questions, the Council shall act by a majority of its members.

ARTICLE 24 (ex Article J.14) TEU

External agreements to be concluded by the Council

1. When it is necessary to conclude an agreement with one or more States or international organisations in implementation of this Title, the Council may authorise the Presidency, assisted by the Commission as appropriate, to open negotiations to that effect. Such agreements shall be concluded by the Council on a recommendation from the Presidency.

Unanimity if internal rules require unanimity

2. **The Council shall act unanimously when the agreement covers an issue for which unanimity is required for the adoption of internal decisions.**

Common action and position require qualified majority

3. **When the agreement is envisaged in order to implement a joint action or common position, the Council shall act by a qualified majority in accordance with Article 23(2).**

Qualified majority if internal rules require qualified majority

4. The provisions of this Article shall also apply to matters falling under Title VI. **When the agreement covers an issue for which a qualified majority is required for the adoption of internal decisions or measures, the Council shall act by a qualified majority in accordance with Article 34(3).**

Constitutional proviso -agreements may, however, apply provisionally

5. No agreement shall be binding on a Member State whose representative in the Council states that it has to comply with the requirements of its own constitutional procedure; the other members of the Council may agree that the agreement shall nevertheless apply provisionally.

The institutions of the Union are bound

6. **Agreements concluded under the conditions set out by this Article shall be binding on the institutions of the Union.**

ARTICLE 27b TEU

Common actions and positions

-excludes military

Enhanced cooperation pursuant to this Title shall relate to implementation of a joint action or a common position. It shall not relate to matters having military or defence implications.

TITLE VI: PROVISIONS ON POLICE AND JUDICIAL COOPERATION IN CRIMINAL MATTERS

ARTICLE 30 (ex Article K.2) TEU

Police cooperation includes:

- operational cooperation

- exchange of information

- training and research

- investigative techniques

Before 2004

1. Common action in the field of police cooperation shall include:
 - a) operational cooperation between the competent authorities, including the police, customs and other specialised law enforcement services of the Member States in relation to the prevention, detection and investigation of criminal offences;
 - b) the collection, storage, processing, analysis and exchange of relevant information, including information held by law enforcement services on reports on suspicious financial transactions, in particular through Europol, subject to appropriate provisions on the protection of personal data;
 - c) cooperation and joint initiatives in training, the exchange of liaison officers, secondments, the use of equipment, and forensic research;
 - d) the common evaluation of particular investigative techniques in relation to the detection of serious forms of organised crime.
2. The Council shall promote cooperation through Europol and shall in particular, within a period of five years after the date of entry into force of the Treaty of Amsterdam:

- common actions with Europol

- coordinated investigation

- exchange of officials

- network

- a) enable Europol to facilitate and support the preparation, and to encourage the coordination and carrying out, of specific investigative actions by the competent authorities of the Member States, including operational actions of joint teams comprising representatives of Europol in a support capacity;
- b) adopt measures allowing Europol to ask the competent authorities of the Member States to conduct and coordinate their investigations in specific cases and to develop specific expertise which may be put at the disposal of Member States to assist them in investigating cases of organised crime;
- c) promote liaison arrangements between prosecuting/investigating officials specialising in the fight against organised crime in close cooperation with Europol;
- d) establish a research, documentation and statistical network on cross-border crime.

ARTICLE 31 (ex Article K.3) TEU

Judicial cooperation includes:

1. Common action on judicial cooperation in criminal matters shall include:

- a) facilitating and accelerating cooperation between competent ministries and judicial or equivalent authorities of the Member States, **including, where appropriate, cooperation through Eurojust**, in relation to proceedings and the enforcement of decisions;
- b) facilitating extradition between Member States;
- c) ensuring compatibility in rules applicable in the Member States, as may be necessary to improve such cooperation;
- d) preventing conflicts of jurisdiction between Member States;
- e) progressively adopting measures establishing minimum rules relating to the constituent elements of criminal acts and to penalties in the fields of organised crime, terrorism and illicit drug trafficking.

Enforcement of decisions
Extradition
Harmonise rules

Local competence

Minimum penalties

Duties of Eurojust

Coordination

Support investigations

Network to facilitate extradition

Forms of cooperation

By unanimity:
-measures

- common positions

- framework decisions

By qualified majority:
-adoption
-implementation

2. The Council shall encourage cooperation through Eurojust by:

- a) enabling Eurojust to facilitate proper coordination between Member States' national prosecuting authorities;**
- b) promoting support by Eurojust for criminal investigations in cases of serious cross-border crime, particularly in the case of organised crime, taking account, in particular, of analyses carried out by Europol;**
- c) facilitating close cooperation between Eurojust and the European Judicial Network, particularly, in order to facilitate the execution of letters rogatory and the implementation of extradition requests.**

ARTICLE 34 (ex Article K.6) TEU

1. In the areas referred to in this Title, Member States shall inform and consult one another within the Council with a view to coordinating their action. To that end, they shall establish collaboration between the relevant departments of their administrations.

2. The Council shall take measures and promote cooperation, using the appropriate form and procedures as set out in this Title, contributing to the pursuit of the objectives of the Union. To that end, acting unanimously on the initiative of any Member State or of the Commission, the Council may:

- a) adopt common positions defining the approach of the Union to a particular matter;
- b) adopt framework decisions for the purpose of approximation of the laws and regulations of the Member States. Framework decisions shall be binding upon the Member States as to the result to be achieved but shall leave to the national authorities the choice of form and methods. They shall not entail direct effect;
- c) adopt decisions for any other purpose consistent with the objectives of this Title, excluding any approximation of the laws and regulations of the Member States. These decisions shall be binding and shall not entail direct effect; the Council, acting by a qualified majority, shall adopt measures necessary to implement those decisions at the level of the Union;

Conventions
- 8 out of 15 countries adopt
- 2/3 majority of at least 8 countries approve implementation

Qualified majority:
62 of 87 votes, to be changed in 2005

Simple majority for procedures

New general principles for enhanced cooperation

Can make use of the institutions and procedures of the EU, if

-it furthers and reinforces the Union (flexibility)

-respects the treaties

-respects all laws

-not within the exclusive competence of the EU

- d) establish conventions which it shall recommend to the Member States for adoption in accordance with their respective constitutional requirements. Member States shall begin the procedures applicable within a time limit to be set by the Council.

Unless they provide otherwise, conventions shall, once adopted by at least half of the Member States, enter into force for those Member States. Measures implementing conventions shall be adopted within the Council by a majority of two-thirds of the Contracting Parties.

3. Where the Council is required to act by a qualified majority, the votes of its members shall be weighted as laid down in Article 205(2) of the Treaty establishing the European Community, and for their adoption acts of the Council shall require at least 62 votes in favour, cast by at least 10 members.

4. For procedural questions, the Council shall act by a majority of its members.

TITLE VII (ex Title VIa):PROVISIONS ON ENHANCED COOPERATION

ARTICLE 43 (ex Article K.15) TEU

Member States which intend to establish **enhanced** cooperation between themselves may make use of the institutions, procedures and mechanisms laid down by this Treaty and **by** the Treaty establishing the European Community provided that the **proposed** cooperation:

- a) is aimed at furthering the objectives of the Union and **of the Community**, at protecting and serving **their** interests **and at reinforcing their process of integration**;
- b) respects the said Treaties and the single institutional framework of the Union;
- c) **respects** the "*acquis communautaire*" and the measures adopted under the other provisions of the said Treaties;
- d) **remains within the limits of the powers of the Union or of the Community and does not concern the areas which fall within the exclusive competence of the Community**;

-does not damage the Internal Market or social cohesion

-does not discriminate

-includes 8 Member States

-respects the others

-does not affect the Schengen rules

- e) **does not undermine the internal market** as defined in Article 14(2) of the Treaty establishing the European Community, or the economic and **social cohesion** established in accordance with Title XVII of that Treaty;
- f) **does not constitute a barrier to or discrimination in trade** between the Member States and **does not distort competition** between them;
- g) **involves a minimum of eight Member States**;
- h) **respects the competences, rights and obligations** of those Member States which do **not participate** therein;
- i) **does not affect the provisions of the Protocol integrating the Schengen acquis** into the framework of the European Union;
- j) **is open to all** the Member States, in accordance with Article 43b.

TITLE VIII (ex Title VII): FINAL PROVISIONS

ARTICLE 48 (ex Article N) TEU

How the Treaties can be amended:

Government or the Commission submit proposals

Inter-governmental conference decides unanimously

Approval by the Member States = ratification

Only into force if all ratify

The government of any Member State or the Commission may submit to the Council proposals for the amendment of the Treaties on which the Union is founded.

If the Council, after consulting the European Parliament and, where appropriate, the Commission, delivers an opinion in favour of calling a conference of representatives of the governments of the Member States, the conference shall be convened by the President of the Council for the purpose of determining by common accord the amendments to be made to those Treaties. The European Central Bank shall also be consulted in the case of institutional changes in the monetary area.

The amendments shall enter into force after being ratified by all the Member States in accordance with their respective constitutional requirements.

ARTICLE 49 (ex Article O) TEU

How new states can be accepted

European State

Any European State which respects the principles set out in Article 6(1)

Political requirements
The Council decides unanimously
The Commission is consulted
Parliament approves by absolute majority among the members, pro. Tem. 314 of 626

may apply to become a member of the Union. It shall address its application to the Council, which shall act unanimously after consulting the Commission and after receiving the assent of the European Parliament, which shall act by an absolute majority of its component members.

The conditions of admission and the adjustments to the Treaties on which the Union is founded which such admission entails shall be the subject of an agreement between the Member States and the applicant State. This agreement shall be submitted for ratification by all the contracting States in accordance with their respective constitutional requirements.

ARTICLE 51 (ex Article Q) TEU

Concluded for an unlimited period

This Treaty is concluded for an unlimited period.

SHORT CONSOLIDATED VERSION OF THE TREATY ESTABLISHING THE EUROPEAN COMMUNITY

Objective: "Ever closer union".

DETERMINED to lay the foundations of an ever closer union among the peoples of Europe,

PART ONE: PRINCIPLES

ARTICLE 1 (ex Article 1) TEC

European Community

By this Treaty, the HIGH CONTRACTING PARTIES establish among themselves a EUROPEAN COMMUNITY.

Objectives

ARTICLE 2 (ex Article 2) TEC

Market
Monetary union
Common policies
Sustainable development
Employment
Social protection
Equality
Growth

The Community shall have as its task, by establishing a common market and an economic and monetary union and by implementing common policies or activities referred to in Articles 3 and 4, to promote throughout the Community a harmonious, balanced and sustainable development of economic activities, a high level of employment and of social protection, equality between men and women, sustainable and non-inflationary growth, a high degree of competitiveness and

Environment
Solidarity

convergence of economic performance, a high level of protection and improvement of the quality of the environment, the raising of the standard of living and quality of life, and economic and social cohesion and solidarity among Member States.

ARTICLE 3 (ex Article 3) TEC

Catalogue of
competences

1. For the purposes set out in Article 2, the activities of the Community shall include, as provided in this Treaty and in accordance with the timetable set out therein:

Prohibition of
barriers to trade

a) the prohibition, as between Member States, of customs duties and quantitative restrictions on the import and export of goods, and of all other measures having equivalent effect;

Trade policy

b) a common commercial policy;

Internal market
Free movement of
goods, persons,
services and capital
= the "four
freedoms"
Immigration

c) an internal market characterised by the abolition, as between Member States, of obstacles to the free movement of goods, persons, services and capital;

d) measures concerning the entry and movement of persons as provided for in Title IV;

Agriculture

e) a common policy in the sphere of agriculture and fisheries;

Transport

f) a common policy in the sphere of transport;

Competition

g) a system ensuring that competition in the internal market is not distorted;

approximation of
laws

h) the approximation of the laws of Member States to the extent required for the functioning of the common market;

employment

i) the promotion of coordination between employment policies of the Member States with a view to enhancing their effectiveness by developing a coordinated strategy for employment;

social

j) a policy in the social sphere comprising a European Social Fund;

cohesion

k) the strengthening of economic and social cohesion;

environment	l) a policy in the sphere of the <u>environment</u> ;
competitiveness	m) the strengthening of the <u>competitiveness</u> of Community industry;
research	n) the promotion of <u>research</u> and technological development;
networks	o) encouragement for the establishment and development of <u>trans-European networks</u> ;
health	p) a contribution to the attainment of a high level of <u>health</u> protection;
education	q) a contribution to <u>education</u> and training of quality and to the flowering of the <u>cultures</u> of the Member States;
culture	
development	r) a policy in the sphere of <u>development</u> cooperation;
associated countries and territories	s) the association of the <u>overseas countries</u> and territories in order to increase trade and promote jointly economic and social development;
consumers	t) a contribution to the strengthening of <u>consumer protection</u> ;
energy, civil defence, tourism	u) measures in the spheres of <u>energy</u> , <u>civil protection</u> and <u>tourism</u> .
gender equality	2. In all the activities referred to in this Article, the Community shall aim to eliminate inequalities, and to promote <u>equality</u> , between men and women.

ARTICLE 5 (ex Article 3b) TEC

Important principles of legality, subsidiarity and proportionality

The Community shall act within the limits of the powers conferred upon it by this Treaty and of the objectives assigned to it therein.

In areas which do not fall within its exclusive competence, the Community shall take action, in accordance with the principle of subsidiarity, only if and insofar as the objectives of the proposed action cannot be sufficiently achieved by the Member States and can therefore, by reason of the scale or effects of the proposed action, be better achieved by the Community.

Any action by the Community shall not go beyond what is necessary to achieve the objectives of this Treaty.

ARTICLE 7 (ex Article 4) TEC

EU bodies

1. The tasks entrusted to the Community shall be carried out by the following institutions :

- a EUROPEAN PARLIAMENT,
- a COUNCIL,
- a COMMISSION,
- a COURT OF JUSTICE,
- a COURT OF AUDITORS.

Principle of attributed powers

Each institution shall act within the limits of the powers conferred upon it by this Treaty.

ESC and the Committee of the Regions

2. The Council and the Commission shall be assisted by an Economic and Social Committee and a Committee of the Regions acting in an advisory capacity.

ARTICLE 8 (ex Article 4a) TEC

The Central Bank Statute part of the Treaty

A European System of Central Banks (hereinafter referred to as "ESCB") and a European Central Bank (hereinafter referred to as "ECB") shall be established in accordance with the procedures laid down in this Treaty; they shall act within the limits of the powers conferred upon them by this Treaty and by the Statute of the ESCB and of the ECB (hereinafter referred to as "Statute of the ESCB") annexed thereto.

ARTICLE 10 (ex Article 5) TEC

Obligation of loyalty

Member States shall take all appropriate measures, whether general or particular, to ensure fulfilment of the obligations arising out of this Treaty or resulting from action taken by the institutions of the Community. They shall facilitate the achievement of the Community's tasks.

They shall abstain from any measure which could jeopardise the attainment of the objectives of this Treaty.

ARTICLE 11 (ex Article 5a) TEC

Enhanced cooperation within the TEC Treaty

1. Member States which intend to establish enhanced cooperation between themselves in one of the areas referred to in this Treaty

Request to the Commission

shall address a request to the Commission, which may submit a proposal to the Council to that effect. In the event of the Commission not submitting a proposal, it shall inform the Member States concerned of the reasons for not doing so.

The Council authorises by qualified majority (62 of 87 votes) The Parliament assents within the area of the conciliation procedure.

2. Authorisation to establish enhanced cooperation as referred to in paragraph 1 shall be granted, in compliance with Articles 43 to 45 of the Treaty on European Union, by the Council, acting by a qualified majority on a proposal from the Commission and after consulting the European Parliament. **When enhanced cooperation relates to an area covered by the procedure referred to in Article 251 of this Treaty, the assent of the European Parliament shall be required.**

Right of veto at European summits disappeared with the Treaty of Nice

A member of the Council may request that the matter be referred to the European Council. **After that matter has been raised before the European Council, the Council may act in accordance with the first subparagraph of this paragraph.**

Other rules apply

3. The acts and decisions necessary for the implementation of **enhanced** cooperation activities shall be subject to all the relevant provisions of this Treaty, save as otherwise provided for in this Article and in Articles 43 to 45 of the Treaty on European Union.

Discrimination

ARTICLE 12 (ex Article 6) TEC

Ban on discriminatory treatment on grounds of nationality
Rules by qualified majority

Within the scope of application of this Treaty, and without prejudice to any special provisions contained therein, any discrimination on grounds of nationality shall be prohibited.

The Council, acting in accordance with the procedure referred to in Article 251, may adopt rules designed to prohibit such discrimination.

ARTICLE 13 (ex Article 6a) TEC

Requires unanimity, but incentive measures now by qualified majority

1. Without prejudice to the other provisions of this Treaty and within the limits of the powers conferred by it upon the Community, the Council, acting unanimously on a proposal from the Commission and after consulting the European Parliament, may take appropriate action to combat discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation.

2. By way of derogation from paragraph 1, when the Council adopts Community incentive measures, excluding any harmonisation of the laws and regulations of the Member States, to support action taken by the Member States in order to contribute to the achievement of the objectives referred to in paragraph 1, it shall act in accordance with the procedure referred to in Article 251.

PART TWO: CITIZENSHIP OF THE UNION

ARTICLE 17 (ex Article 8) TEC

Citizenship of the Union

Citizenship of the Union supplements, but does not replace, nationality

1. Citizenship of the Union is hereby established. Every person holding the nationality of a Member State shall be a citizen of the Union. Citizenship of the Union shall complement and not replace national citizenship.

2. Citizens of the Union shall enjoy the rights conferred by this Treaty and shall be subject to the duties imposed thereby.

ARTICLE 18 (ex Article 8a) TEC

Right to move and reside freely in all EU countries

1. Every citizen of the Union shall have the right to move and reside freely within the territory of the Member States, subject to the limitations and conditions laid down in this Treaty and by the measures adopted to give it effect.

Conciliation procedure, now with qualified majority in the Council

2. **If action by the Community should prove necessary to attain this objective and this Treaty has not provided the necessary powers**, the Council may adopt provisions with a view to facilitating the exercise of the rights referred to in paragraph 1. The Council shall act in accordance with the procedure referred to in Article 251.

But not for passports, residence permits and social security

3. Paragraph 2 shall not apply to provisions on passports, identity cards, residence permits or any other such document or to provisions on social security or social protection.

ARTICLE 19 (ex Article 8b) TEC

Right to vote in local elections

1. Every citizen of the Union residing in a Member State of which he is not a national shall have the right to vote and to stand as a candidate at municipal elections in the Member State in which he resides, under the same conditions as nationals of that State. This right shall be exercised subject to detailed arrangements adopted by the Council, acting unanimously on a proposal from the Commission and after consulting the European Parliament; these arrangements may provide for derogations where warranted by problems specific to a Member State.

Right to vote in elections to EP

2. Without prejudice to Article 190(4) and to the provisions adopted for its implementation, every citizen of the Union residing in a Member State of which he is not a national shall have the right to vote and to stand as a candidate in elections to the European Parliament in the Member State in which he resides, under the same conditions as nationals of that State. This right shall be exercised subject to detailed arrangements adopted by the Council, acting unanimously on a proposal from the Commission and after consulting the European Parliament; these arrangements may provide for derogations where warranted by problems specific to a Member State.

PART THREE: COMMUNITY POLICIES

Customs union

TITLE I: FREE MOVEMENT OF GOODS

ARTICLE 23 (ex Article 9) TEC

Ban on customs duties and all charges with equivalent effect

1. The Community shall be based upon a customs union which shall cover all trade in goods and which shall involve the prohibition between Member States of customs duties on imports and exports and of all charges having equivalent effect, and the adoption of a common customs tariff in their relations with third countries.

Customs tariff

All legal products

2. The provisions of Article 25 and of Chapter 2 of this Title shall apply to products originating in Member States and to products coming from third countries which are in free circulation in Member States.

ARTICLE 28 (ex Article 30) TEC

Ban on restricting imports

Quantitative restrictions on imports and all measures having equivalent effect shall be prohibited between Member States.

ARTICLE 29 (ex Article 34) TEC

Ban on restricting exports

Quantitative restrictions on exports, and all measures having equivalent effect, shall be prohibited between Member States.

ARTICLE 30 (ex Article 36) TEC

Important exceptions

Exceptions for
-morality
-public policy
-security
-plants
-animals
-national treasures
-property
No discrimination,
no hidden trade
restrictions

The provisions of Articles 28 and 29 shall not preclude prohibitions or restrictions on imports, exports or goods in transit justified on grounds of public morality, public policy or public security; the protection of health and life of humans, animals or plants; the protection of national treasures possessing artistic, historic or archaeological value; or the protection of industrial and commercial property. Such prohibitions or restrictions shall not, however, constitute a means of arbitrary discrimination or a disguised restriction on trade between Member States.

ARTICLE 31 (ex Article 37) TEC

Public monopolies may not discriminate

1. Member States shall adjust any State monopolies of a commercial character so as to ensure that no discrimination regarding the conditions under which goods are procured and marketed exists between nationals of Member States.

The provisions of this Article shall apply to any body through which a Member State, in law or in fact, either directly or indirectly supervises, determines or appreciably influences imports or exports between Member States. These provisions shall likewise apply to monopolies delegated by the State to others.

2. Member States shall refrain from introducing any new measure which is contrary to the principles laid down in paragraph 1 or which restricts the scope of the Articles dealing with the prohibition of customs duties and quantitative restrictions between Member States.

3. If a State monopoly of a commercial character has rules which are designed to make it easier to dispose of agricultural products or obtain for them the best return, steps should be taken in applying the rules contained in this Article to ensure equivalent safeguards for the employment and standard of living of the producers concerned.

TITLE II: AGRICULTURE

ARTICLE 33 (ex Article 39) TEC

Objectives of the agricultural policy:

-increase productivity

-standard of living

-stable markets

-ensure supplies

-reasonable prices

Take account of:

-special nature

-gradual adjustment

-the economy as a whole

1. The objectives of the common agricultural policy shall be:

- a) to increase agricultural productivity by promoting technical progress and by ensuring the rational development of agricultural production and the optimum utilisation of the factors of production, in particular labour;
- b) thus to ensure a fair standard of living for the agricultural community, in particular by increasing the individual earnings of persons engaged in agriculture;
- c) to stabilise markets;
- d) to assure the availability of supplies;
- e) to ensure that supplies reach consumers at reasonable prices.

2. In working out the common agricultural policy and the special methods for its application, account shall be taken of:

- a) the particular nature of agricultural activity, which results from the social structure of agriculture and from structural and natural disparities between the various agricultural regions;
- b) the need to effect the appropriate adjustments by degrees;
- c) the fact that in the Member States agriculture constitutes a sector closely linked with the economy as a whole.

TITLE III: FREE MOVEMENT OF PERSONS,

SERVICES AND CAPITAL

CHAPTER 1: WORKERS

ARTICLE 39 (ex Article 48) TEC

Free movement

1. Freedom of movement for workers shall be secured within the Community.

No discrimination

2. Such freedom of movement shall entail the abolition of any discrimination based on nationality between workers of the Member States as regards employment, remuneration and other conditions of work and employment.

Limitations for public policy, security, health

3. It shall entail the right, subject to limitations justified on grounds of public policy, public security or public health:

Right to:
- accept offers

a) to accept offers of employment actually made;

- move freely

b) to move freely within the territory of Member States for this purpose;

- stay in a Member State

c) to stay in a Member State for the purpose of employment in accordance with the provisions governing the employment of nationals of that State laid down by law, regulation or administrative action;

Does not apply to public service employment

4. The provisions of this Article shall not apply to employment in the public service.

ARTICLE 40 (ex Article 49) TEC

Rules on freedom of movement to be adopted by qualified majority in accordance with the conciliation procedure
Employment services

The Council shall, acting in accordance with the procedure referred to in Article 251 and after consulting the Economic and Social Committee, issue directives or make regulations setting out the measures required to bring about freedom of movement for workers, as defined in Article 39, in particular:

Abolish qualifying periods

a) by ensuring close cooperation between national employment services;

b) by abolishing those administrative procedures and practices

and those qualifying periods in respect of eligibility for available employment, whether resulting from national legislation or from agreements previously concluded between Member States, the maintenance of which would form an obstacle to liberalisation of the movement of workers;

- c) by abolishing all such qualifying periods and other restrictions provided for either under national legislation or under agreements previously concluded between Member States as imposed on workers of other Member States conditions regarding the free choice of employment other than those imposed on workers of the State concerned;
- d) by setting up appropriate machinery to bring offers of employment into touch with applications for employment and to facilitate the achievement of a balance between supply and demand in the employment market in such a way as to avoid serious threats to the standard of living and level of employment in the various regions and industries.

ARTICLE 42 (ex Article 51) TEC

The Council shall, acting in accordance with the procedure referred to in Article 251, adopt such measures in the field of social security as are necessary to provide freedom of movement for workers; to this end, it shall make arrangements to secure for migrant workers and their dependants:

- a) aggregation, for the purpose of acquiring and retaining the right to benefit and of calculating the amount of benefit, of all periods taken into account under the laws of the several countries;
- b) payment of benefits to persons resident in the territories of Member States.

The Council shall act unanimously throughout the procedure referred to in Article 251.

CHAPTER 2: RIGHT OF ESTABLISHMENT

ARTICLE 43 (ex Article 52) TEC

Within the framework of the provisions set out below, restrictions on the

Social protection for migrant workers and their dependants
Conciliation procedure, but with unanimity in the Council – Britain blocked majority decisions at the Nice summit

Unanimity + conciliation

Freedom of establishment

Ban on restrictions

freedom of establishment of nationals of a Member State in the territory of another Member State shall be prohibited. Such prohibition shall also apply to restrictions on the setting-up of agencies, branches or subsidiaries by nationals of any Member State established in the territory of any Member State.

Freedom of establishment shall include the right to take up and pursue activities as self-employed persons and to set up and manage undertakings, in particular companies or firms within the meaning of the second paragraph of Article 48, under the conditions laid down for its own nationals by the law of the country where such establishment is effected, subject to the provisions of the Chapter relating to capital.

ARTICLE 44 (ex Article 54) TEC

Rules on establishment to be adopted by qualified majority in accordance with the conciliation procedure

1. In order to attain freedom of establishment as regards a particular activity, the Council, acting in accordance with the procedure referred to in Article 251 and after consulting the Economic and Social Committee, shall act by means of directives.

2. The Council and the Commission shall carry out the duties devolving upon them under the preceding provisions, in particular:

- a) by according, as a general rule, priority treatment to activities where freedom of establishment makes a particularly valuable contribution to the development of production and trade;
- b) by ensuring close cooperation between the competent authorities in the Member States in order to ascertain the particular situation within the Community of the various activities concerned;
- c) by abolishing those administrative procedures and practices, whether resulting from national legislation or from agreements previously concluded between Member States, the maintenance of which would form an obstacle to freedom of establishment;

- d) by ensuring that workers of one Member State employed in the territory of another Member State may remain in that territory for the purpose of taking up activities therein as self-employed persons, where they satisfy the conditions which they would be required to satisfy if they were entering that State at the time when they intended to take up such activities;
- e) by enabling a national of one Member State to acquire and use land and buildings situated in the territory of another Member State, insofar as this does not conflict with the principles laid down in Article 33(2);
- f) by effecting the progressive abolition of restrictions on freedom of establishment in every branch of activity under consideration, both as regards the conditions for setting up agencies, branches or subsidiaries in the territory of a Member State and as regards the subsidiaries in the territory of a Member State and as regards the conditions governing the entry of personnel belonging to the main establishment into managerial or supervisory posts in such agencies, branches or subsidiaries;
- g) by coordinating to the necessary extent the safeguards which, for the protection of the interests of members and other, are required by Member States of companies or firms within the meaning of the second paragraph of Article 48 with a view to making such safeguards equivalent throughout the Community;
- h) by satisfying themselves that the conditions of establishment are not distorted by aids granted by Member States.

CHAPTER 3: SERVICES

ARTICLE 49 (ex Article 59) TEC

Within the framework of the provisions set out below, restrictions on freedom to provide services within the Community shall be prohibited in respect of nationals of Member States who are established in a State of the Community other than that of the person for whom the services are intended.

The Council may, acting by a qualified majority on a proposal from the

Real estate

No distortion of conditions of establishment

Free exchange of services
Ban on restrictions

3rd countries by

qualified majority

Commission, extend the provisions of the Chapter to nationals of a third country who provide services and who are established within the Community.

Free movement of capital and payments

CHAPTER 4: CAPITAL AND PAYMENTS

ARTICLE 56 (ex Article 73b) TEC

Ban on restrictions

1. Within the framework of the provisions set out in this Chapter, all restrictions on the movement of capital between Member States and between Member States and third countries shall be prohibited.
2. Within the framework of the provisions set out in this Chapter, all restrictions on payments between Member States and between Member States and third countries shall be prohibited.

ARTICLE 57 (ex Article 73c) TEC

Previously – restrictions with regard to 3rd countries

1. The provisions of Article 56 shall be without prejudice to the application to third countries of any restrictions which exist on 31 December 1993 under national or Community law adopted in respect of the movement of capital to or from third countries involving direct investment - including in real estate - establishment, the provision of financial services or the admission of securities to capital markets.

Liberalisation by qualified majority, a step back requires unanimity

2. Whilst endeavouring to achieve the objective of free movement of capital between Member States and third countries to the greatest extent possible and without prejudice to the other Chapters of this Treaty, the Council may, acting by a qualified majority on a proposal from the Commission, adopt measures on the movement of capital to or from third countries involving direct investment - including investment in real estate -, the provision of financial services or the admission of securities to capital markets. Unanimity shall be required for measures under this paragraph which constitute a step back in Community law as regards the liberalisation of the movement of capital to or from third countries.

ARTICLE 58 (ex Article 73d) TEC

Taxation and supervision

1. The provisions of Article 56 shall be without prejudice to the right of Member States:
 - a) to apply the relevant provisions of their tax law which distinguish between taxpayers who are not in the same situation with regard

to their place of residence or with regard to the place where their capital is invested;

Exceptions

- b) to take all requisite measures to prevent infringements of national law and regulations, in particular in the field of taxation and the prudential supervision of financial institutions, or to lay down procedures for the declaration of capital movements for purposes of administrative or statistical information, or to take measures which are justified on grounds of public policy or public security.

2. The provisions of this Chapter shall be without prejudice to the applicability of restrictions on the right of establishment which are compatible with this Treaty.

Not to discriminate
Not to restrict

3. The measures and procedures referred to in paragraphs 1 and 2 shall not constitute a means of arbitrary discrimination or a disguised restriction on the free movement of capital and payments as defined in Article 56.

TITLE IV (ex Title IIIa): VISAS, ASYLUM, IMMIGRATION AND OTHER POLICIES RELATED TO FREE MOVEMENT OF PERSONS

ARTICLE 61 (ex Article 73i) TEC

In order to establish progressively an area of freedom, security and justice, the Council shall adopt:

Common external
borders, free
movement within
them before 2004
Flanking measures

- a) within a period of five years after the entry into force of the Treaty of Amsterdam, measures aimed at ensuring the free movement of persons in accordance with Article 14, in conjunction with directly related flanking measures with respect to external border controls, asylum and immigration, in accordance with the provisions of Article 62(2) and (3) and Article 63(1)(a) and (2)(a), and measures to prevent and combat crime in accordance with the provisions of Article 31(1)(e) of the Treaty on European Union;

Asylum and
immigration

- b) other measures in the fields of asylum, immigration and safeguarding the rights of nationals of third countries, in

Civil law

accordance with the provisions of Article 63;

- c) measures in the field of judicial cooperation in civil matters as provided for in Article 65;
- d) appropriate measures to encourage and strengthen administrative cooperation, as provided for in Article 66;
- e) measures in the field of police and judicial cooperation in criminal matters aimed at a high level of security by preventing and combating crime within the Union in accordance with the provisions of the Treaty on European Union.

Police
Criminality

ARTICLE 62 (ex Article 73j) TEC

Border controls

The Council, acting in accordance with the procedure referred to in Article 67, shall, within a period of five years after the entry into force of the Treaty of Amsterdam, adopt:

No controls on
persons at internal
borders

(1) measures with a view to ensuring, in compliance with Article 14, the absence of any controls on persons, be they citizens of the Union or nationals of third countries, when crossing internal borders;

External borders

(2) measures on the crossing of the external borders of the Member States which shall establish:

-controls on persons

a) standards and procedures to be followed by Member States in carrying out checks on persons at such borders;

-visas under 3
months

b) rules on visas for intended stays of no more than three months, including:

-countries from
which a visa is
required

i. the list of third countries whose nationals must be in possession of visas when crossing the external borders and those whose nationals are exempt from that requirement;

-uniform format visa	<ul style="list-style-type: none"> ii. the procedures and <u>conditions</u> for issuing visas by Member States; iii. a <u>uniform</u> format for <u>visas</u>; iv. rules on a <u>uniform visa</u>;
Citizens of 3rd countries under three months	<p>(3) <u>measures</u> setting out the conditions under which nationals of <u>third countries</u> shall have the freedom to travel within the territory of the Member States during a period of no more than <u>three months</u>.</p>
Refugees and immigrants	<p style="text-align: center;">ARTICLE 63 (ex Article 73k) TEC</p> <p>The Council, acting in accordance with the procedure referred to in Article 67, shall, within a period of <u>five years</u> after the entry into force of the Treaty of Amsterdam, adopt:</p>
UN refugees	<p>(1) <u>measures</u> on <u>asylum</u>, in accordance with the <u>Geneva Convention</u> of 28 July 1951 and the Protocol of 31 January 1967 relating to the status of <u>refugees</u> and other relevant treaties, within the following areas:</p>
Who is to act	<ul style="list-style-type: none"> a) criteria and mechanisms for determining which Member State is <u>responsible</u> for considering an application for asylum submitted by a national of a third country in one of the Member States,
Minimum standards -reception	<ul style="list-style-type: none"> b) <u>minimum standards</u> on the <u>reception</u> of asylum seekers in Member States, c) minimum standards with respect to the <u>qualification</u> of nationals of third countries as refugees,
-granting -withdrawing	<ul style="list-style-type: none"> d) minimum standards on <u>procedures</u> in Member States for <u>granting</u> or <u>withdrawing</u> refugee status;
Temporary protection	<p>(2) <u>measures</u> on <u>refugees</u> and displaced persons within the following areas:</p> <ul style="list-style-type: none"> a) minimum standards for giving <u>temporary protection</u> to displaced persons from third countries who cannot return to their country of origin and for persons who

Promote equal sharing

otherwise need international protection,

b) promoting a balance of effort between Member States in receiving and bearing the consequences of receiving refugees and displaced persons;

Immigration,

(3) measures on immigration policy within the following areas:

visas

a) conditions of entry and residence, and standards on procedures for the issue by Member States of long term visas and residence permits, including those for the purpose of family reunion,

residence permits
family reunion

b) illegal immigration and illegal residence, including repatriation of illegal residents;

illegal immigration

citizens of 3rd countries

(4) measures defining the rights and conditions under which nationals of third countries who are legally resident in a Member State may reside in other Member States.

National provisions

Measures adopted by the Council pursuant to points 3 and 4 shall not prevent any Member State from maintaining or introducing in the areas concerned national provisions which are compatible with this Treaty and with international agreements.

Exemptions from the 5-year period

Measures to be adopted pursuant to points 2(b), 3(a) and 4 shall not be subject to the five year period referred to above.

ARTICLE 67 (ex Article 73o) TEC

Unanimity to 1.5.2004 and right of initiative held by both Commission and Member States; thereafter only Commission has right of initiative

1. During a transitional period of five years following the entry into force of the Treaty of Amsterdam, the Council shall act unanimously on a proposal from the Commission or on the initiative of a Member State and after consulting the European Parliament.

2. After this period of five years:

the Council shall act on proposals from the Commission; the Commission shall examine any request made by a Member State that it submit a proposal to the Council;

Unanimity for deciding to go over to the conciliation procedure

the Council, acting unanimously after consulting the European Parliament, shall take a decision with a view to providing for all or parts of the areas covered by this Title to be governed by the procedure referred to in Article 251 and adapting the provisions relating to the powers of the Court of

Justice.

Qualified majority approval for visa regulations -immediately

- from 1.5.2004

The Treaty of Nice compromise: Conciliation procedure for civil law – excluding family law Refugee policy on unanimously approved ground rules, but not immigration

3. By derogation from paragraphs 1 and 2, measures referred to in Article 62(2)(b) (i) and (iii) shall, from the entry into force of the Treaty of Amsterdam, be adopted by the Council acting by a qualified majority on a proposal from the Commission and after consulting the European Parliament.

4. By derogation from paragraph 2, measures referred to in Article 62(2)(b) (ii) and (iv) shall, after a period of five years following the entry into force of the Treaty of Amsterdam, be adopted by the Council acting in accordance with the procedure referred to in Article 251.

5. By derogation from paragraph 1, the Council shall adopt, in accordance with the procedure referred to in Article 251:

the measures provided for in Article 63(1) and (2)(a) provided that the Council has previously adopted, in accordance with paragraph 1 of this Article, Community legislation defining the common rules and basic principles governing these issues;

the measures provided for in Article 65 with the exception of aspects relating to family law.

TITLE VI (ex Title V): COMMON RULES ON COMPETITION, TAXATION AND APPROXIMATION OF LAWS

CHAPTER 1: RULES ON COMPETITION

SECTION 1: RULES APPLYING TO UNDERTAKINGS

ARTICLE 81 (ex Article 85) TEC

Ban on restricting competition

1. The following shall be prohibited as incompatible with the common market: all agreements between undertakings, decisions by associations of undertakings and concerted practices which may affect trade between Member States and which have as their object or effect the prevention,

restriction or distortion of competition within the common market, and in particular those which:

-price agreements

a) directly or indirectly fix purchase or selling prices or any other trading conditions;

-restrictions

b) limit or control production, markets, technical development, or investment;

-sharing of the market

c) share markets or sources of supply;

d) apply dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage;

-demands for supplementary services

e) make the conclusion of contracts subject to acceptance by the other parties of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts.

Agreements have no legal effect

2. Any agreements or decisions prohibited pursuant to this Article shall be automatically void.

Unless agreements are accepted

3. The provisions of paragraph 1 may, however, be declared inapplicable in the case of:

any agreement or category of agreements between undertakings;

any decision or category of decisions by associations of undertakings;

any concerted practice or category of concerted practices, which contributes to improving the production or distribution of goods or to promoting technical or economic progress, while allowing consumers a fair share of the resulting benefit, and which does not:

a) impose on the undertakings concerned restrictions which are not indispensable to the attainment of these objectives;

b) afford such undertakings the possibility of eliminating competition in respect of a substantial part of the products in question.

ARTICLE 82 (ex Article 86) TEC

Abuse of dominant position prohibited

Any abuse by one or more undertakings of a dominant position within the common market or in a substantial part of it shall be prohibited as incompatible with the common market insofar as it may affect trade between Member States.

Such abuse may, in particular, consist in:

-prices

a) directly or indirectly imposing unfair purchase or selling prices or other unfair trading conditions;

-limiting

b) limiting production, markets or technical development to the prejudice of consumers;

-dissimilar conditions

c) applying dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage;

-supplementary services

d) making the conclusion of contracts subject to acceptance by the other parties of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts.

SECTION 2: AIDS GRANTED BY STATES

ARTICLE 87 (ex Article 92) TEC

Ban on state aid if trade is affected

1. Save as otherwise provided in this Treaty, any aid granted by a Member State or through State resources in any form whatsoever which distorts or threatens to distort competition by favouring certain undertakings or the production of certain goods shall, insofar as it affects trade between Member States, be incompatible with the common market.

Exceptions:

2. The following shall be compatible with the common market:

- social

a) aid having a social character, granted to individual consumers, provided that such aid is granted without discrimination related to the origin of the products concerned;

- compensation

b) aid to make good the damage caused by natural disasters or exceptional occurrences;

-division of Germany

c) aid granted to the economy of certain areas of the Federal

Republic of Germany affected by the division of Germany, insofar as such aid is required in order to compensate for the economic disadvantages caused by that division.

May be permitted:

3. The following may be considered to be compatible with the common market:

-aid for development of poorer areas

a) aid to promote the economic development of areas where the standard of living is abnormally low or where there is serious underemployment;

-common EU projects

b) aid to promote the execution of an important project of common European interest or to remedy a serious disturbance in the economy of a Member State;

-if trading conditions are not changed

c) aid to facilitate the development of certain economic activities or of certain economic areas, where such aid does not adversely affect trading conditions to an extent contrary to the common interest;

-culture

d) aid to promote culture and heritage conservation where such aid does not affect trading conditions and competition in the Community to an extent that is contrary to the common interest;

-exceptions by qualified majority, if the Council so decides

e) such other categories of aid as may be specified by decision of the Council acting by a qualified majority on a proposal from the Commission.

CHAPTER 2: TAX PROVISIONS

ARTICLE 90 (ex Article 95) TEC

Ban on discriminatory taxation
-not indirect either

No Member State shall impose, directly or indirectly, on the products of other Member States any internal taxation of any kind in excess of that imposed directly or indirectly on similar domestic products.
Furthermore, no Member State shall impose on the products of other Member States any internal taxation of such a nature as to afford indirect protection to other products.

ARTICLE 93 (ex Article 99) TEC

Indirect taxes to be harmonised by the Council acting unanimously

The Council shall, acting unanimously on a proposal from the Commission and after consulting the European Parliament and the Economic and Social Committee, adopt provisions for the harmonisation of legislation concerning turnover taxes, excise duties and other forms of indirect taxation to the extent that such harmonisation is necessary to ensure the establishment and the functioning of the internal market within the time-limit laid down in Article 14.

CHAPTER 3: APPROXIMATION OF LAWS

ARTICLE 94 (ex Article 100) TEC

Laws to be harmonised by unanimity, if there is no special legal basis

The Council shall, acting unanimously on a proposal from the Commission and after consulting the European Parliament and the Economic and Social Committee, issue directives for the approximation of such laws, regulations or administrative provisions of the Member States as directly affect the establishment or functioning of the common market.

ARTICLE 95 (ex Article 100a) TEC

Laws of the Internal Market by qualified majority and conciliation procedure

1. By way of derogation from Article 94 and save where otherwise provided in this Treaty, the following provisions shall apply for the achievement of the objectives set out in Article 14. The Council shall, acting in accordance with the procedure referred to in Article 251 and after consulting the Economic and Social Committee, adopt the measures for the approximation of the provisions laid down by law, regulation or administrative action in Member States which have as their object the establishment and functioning of the internal market.

excluding
-taxation
-movement of persons
-employees' rights
High level of protection for health, safety, environment, consumer protection

2. Paragraph 1 shall not apply to fiscal provisions, to those relating to the free movement of persons nor to those relating to the rights and interests of employed persons.

3. The Commission, in its proposals envisaged in paragraph 1 concerning health, safety, environmental protection and consumer protection, will take as a base a high level of protection, taking account in particular of any new development based on scientific facts. Within their respective powers, the European Parliament and the Council will also seek to achieve this objective.

Keep better rules

4. If, after the adoption by the Council or by the Commission of a

-environment
-working
environment

Introduce better
rules

-environment
-working
environment
- specific problem
for a State

The Commission
decides, excluding:

-discriminatory
treatment
-hidden trade
restrictions
-obstruct the
functioning of the
Internal Market

Examine whether to
propose adaptation

Health

-not included in the
foregoing so-called
environmental
guarantee

Role of the Court

harmonisation measure, a Member State deems it necessary to maintain national provisions on grounds of major needs referred to in Article 30, or relating to the protection of the environment or the working environment, it shall notify the Commission of these provisions as well as the grounds for maintaining them.

5. Moreover, without prejudice to paragraph 4, if, after the adoption by the Council or by the Commission of a harmonisation measure, a Member State deems it necessary to introduce national provisions based on new scientific evidence relating to the protection of the environment or the working environment on grounds of a problem specific to that Member State arising after the adoption of the harmonisation measure, it shall notify the Commission of the envisaged provisions as well as the grounds for introducing them.

6. The Commission shall, within six months of the notifications as referred to in paragraphs 4 and 5, approve or reject the national provisions involved after having verified whether or not they are a means of arbitrary discrimination or a disguised restriction on trade between Member States and whether or not they shall constitute an obstacle to the functioning of the internal market.

In the absence of a decision by the Commission within this period the national provisions referred to in paragraphs 4 and 5 shall be deemed to have been approved.

When justified by the complexity of the matter and in the absence of danger for human health, the Commission may notify the Member State concerned that the period referred to in this paragraph may be extended for a further period of up to six months.

7. When, pursuant to paragraph 6, a Member State is authorised to maintain or introduce national provisions derogating from a harmonisation measure, the Commission shall immediately examine whether to propose an adaptation to that measure.

8. When a Member State raises a specific problem on public health in a field which has been the subject of prior harmonisation measures, it shall bring it to the attention of the Commission which shall immediately examine whether to propose appropriate measures to the Council.

9. By way of derogation from the procedure laid down in Articles 226 and 227, the Commission and any Member State may bring the matter directly before the Court of Justice if it considers that another Member State is making improper use of the powers provided for in this Article.

Safeguard clause under EU control

10. The harmonisation measures referred to above shall, in appropriate cases, include a safeguard clause authorising the Member States to take, for one or more of the non-economic reasons referred to in Article 30, provisional measures subject to a Community control procedure.

TITLE VII (ex Title VI): ECONOMIC AND MONETARY POLICY

ARTICLE 104 (ex Article 104c) TEC

The most important article on monetary union
Avoid big deficits

1. Member States shall avoid excessive government deficits.

The Commission monitors budgetary discipline

2. The Commission shall monitor the development of the budgetary situation and of the stock of government debt in the Member States with a view to identifying gross errors. In particular it shall examine compliance with budgetary discipline on the basis of the following two criteria:

Reference value

a) whether the ratio of the planned or actual government deficit to gross domestic product exceeds a reference value, unless:

declined

either the ratio has declined substantially and continuously and reached a level that comes close to the reference value;

exceptional

or, alternatively, the excess over the reference value is only exceptional and temporary and the ratio remains close to the reference value;

Debt

b) whether the ratio of government debt to gross domestic product exceeds a reference value, unless the ratio is sufficiently diminishing and approaching the reference value at a satisfactory pace.

Permitted values in a Protocol

The reference values are specified in the Protocol on the excessive deficit procedure annexed to this Treaty.

Report on excessive deficits

3. If a Member State does not fulfil the requirements under one or both of these criteria, the Commission shall prepare a report. The report of the Commission shall also take into account whether the government deficit exceeds government investment expenditure and take into account all other relevant factors, including the medium-term economic

and budgetary position of the Member State.

The Commission may also prepare a report if, notwithstanding the fulfilment of the requirements under the criteria, it is of the opinion that there is a risk of an excessive deficit in a Member State.

4. The Committee provided for in Article 114 shall formulate an opinion on the report of the Commission.

Opinion to the Council

5. If the Commission considers that an excessive deficit in a Member State exists or may occur, the Commission shall address an opinion to the Council.

The Council decides by qualified majority if the deficit is excessive

6. The Council shall, acting by a qualified majority on a recommendation from the Commission, and having considered any observations which the Member State concerned may wish to make, decide after an overall assessment whether an excessive deficit exists.

Recommendations

7. Where the existence of an excessive deficit is decided according to paragraph 6, the Council shall make recommendations to the Member State concerned with a view to bringing that situation to an end within a given period. Subject to the provisions of paragraph 8, these recommendations shall not be made public.

Recommendations can be published

8. Where it establishes that there has been no effective action in response to its recommendations within the period laid down, the Council may make its recommendations public.

Imposition of measures

9. If a Member State persists in failing to put into practice the recommendations of the Council, the Council may decide to give notice to the Member State to take, within a specified time-limit, measures for the deficit reduction which is judged necessary by the Council in order to remedy the situation.

Request reports

In such a case, the Council may request the Member State concerned to submit reports in accordance with a specific timetable in order to examine the adjustment efforts of that Member State.

10. The rights to bring actions provided for in Articles 226 and 227 may not be exercised within the framework of paragraphs 1 to 9 of this Article.

11. As long as a Member State fails to comply with a decision taken in accordance with paragraph 9, the Council may decide to apply or, as the case may be, intensify one or more of the following measures:

Request extra information

to require the Member State concerned to publish additional information, to be specified by the Council, before issuing bonds and securities;

Review lending policy

to invite the European Investment Bank to reconsider its lending policy towards the Member State concerned;

Non-interest-bearing deposits

to require the Member State concerned to make a non-interest-bearing deposit of an appropriate size with the Community until the excessive deficit has, in the view of the Council, been corrected;

Fines

to impose fines of an appropriate size.

The President of the Council shall inform the European Parliament of the decisions taken.

12. The Council shall abrogate some or all of its decisions referred to in paragraphs 6 to 9 and 11 to the extent that the excessive deficit in the Member State concerned has, in the view of the Council, been corrected. If the Council has previously made public recommendations, it shall, as soon as the decision under paragraph 8 has been abrogated, make a public statement that an excessive deficit in the Member State concerned no longer exists.

2/3 weighted majority

13. When taking the decisions referred to in paragraphs 7 to 9, 11 and 12, the Council shall act on a recommendation from the Commission by a majority of two-thirds of the votes of its members weighted in accordance with Article 205(2), excluding the votes of the representative of the Member State concerned.

Protocol on deficits

14. Further provisions relating to the implementation of the procedure described in this Article are set out in the Protocol on the excessive deficit procedure annexed to this Treaty.

Rules can be adopted unanimously

The Council shall, acting unanimously on a proposal from the Commission and after consulting the European Parliament and the ECB, adopt the appropriate provisions which shall then replace the said Protocol.

Protocol rules by qualified majority

Subject to the other provisions of this paragraph, the Council shall, before 1 January 1994, acting by a qualified majority on a proposal from the Commission and after consulting the European Parliament, lay down detailed rules and definitions for the application of the provisions of the said Protocol.

TITLE IX (ex Title VII): COMMON COMMERCIAL POLICY

ARTICLE 133 (ex Article 113) TEC

International trade agreements
Common commercial policy built on uniform principles

1. The common commercial policy shall be based on uniform principles, particularly in regard to changes in tariff rates, the conclusion of tariff and trade agreements, the achievement of uniformity in measures of liberalisation, export policy and measures to protect trade such as those to be taken in the event of dumping or subsidies.

Qualified majority

2. The Commission shall submit proposals to the Council for implementing the common commercial policy.

The Council authorises the Commission to negotiate by qualified majority

3. Where agreements with one or more States or international organisations need to be negotiated, the Commission shall make recommendations to the Council, which shall authorise the Commission to open the necessary negotiations. **The Council and the Commission shall be responsible for ensuring that the agreements negotiated are compatible with internal Community policies and rules.**

§133 Committee to be regularly informed

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. **The Commission shall report regularly to the special committee on the progress of negotiations.**

The relevant provisions of Article 300 shall apply.

4. In exercising the powers conferred upon it by this Article, the Council shall act by a qualified majority.

Services and intellectual property rights introduced under the Treaty of Nice

5. Paragraphs 1 to 4 shall also apply to the negotiation and conclusion of agreements in the fields of trade in services and the commercial aspects of intellectual property, insofar as those agreements are not covered by the said paragraphs and without prejudice to paragraph 6.

By way of derogation from paragraph 4, the Council shall act unanimously when negotiating and concluding an agreement in one of the fields referred to in the first subparagraph, where that agreement includes provisions for which unanimity is required for the adoption of internal rules or where it relates to a field in which the Community has not yet exercised the powers conferred upon it by this Treaty by adopting internal rules.

Unanimity required where internal rules require it

The Council shall act unanimously with respect to the negotiation and conclusion of a horizontal agreement insofar as it also concerns the preceding subparagraph or the second subparagraph of paragraph 6.

This paragraph shall not affect the right of the Member States to maintain and conclude agreements with third countries or international organisations insofar as such agreements comply with Community law and other relevant international agreements.

6. An agreement may not be concluded by the Council if it includes provisions which would go beyond the Community's internal powers, in particular by leading to harmonisation of the laws or regulations of the Member States in an area for which this Treaty rules out such harmonisation.

In this regard, by way of derogation from the first subparagraph of paragraph 5, agreements relating to trade in cultural and audiovisual services, educational services, and social and human health services, shall fall within the shared competence of the Community and its Member States. Consequently, in addition to a Community decision taken in accordance with the relevant provisions of Article 300, the negotiation of such agreements shall require the common accord of the Member States. Agreements thus negotiated shall be concluded jointly by the Community and the Member States.

The negotiation and conclusion of international agreements in the field of transport shall continue to be governed by the provisions of Title V and Article 300.

7. Without prejudice to the first subparagraph of paragraph 6, the Council, acting unanimously on a proposal from the Commission and after consulting the European Parliament, may extend the application of paragraphs 1 to 4 to international negotiations and agreements on intellectual property insofar as they are not covered by paragraphs 5.

Not exceed internal powers

Cultural, audio-visual, educational, social, health services require common agreement

Transport

The Council can extend the use by unanimity

TITLE XI (ex Title VIII): SOCIAL POLICY,

EDUCATION, VOCATIONAL TRAINING AND YOUTH

CHAPTER 1: SOCIAL PROVISIONS

ARTICLE 137 (ex Article 118) TEC

The most important social provision
Voting method is incorporated below (137 2b)

1. With a view to achieving the objectives of Article 136, the Community shall support and complement the activities of the Member States in the following fields:

qualified majority

a) improvement in particular of the working environment to protect workers' health and safety;

qualified majority

b) working conditions;

unanimity

c) social security and social protection of workers;

unanimity

d) protection of workers where their employment contract is terminated;

qualified majority

e) the information and consultation of workers;

unanimity

f) representation and collective defence of the interests of workers and employers, including co-determination, subject to paragraph 5;

unanimity

g) conditions of employment for third-country nationals legally residing in Community territory;

qualified majority

h) the integration of persons excluded from the labour market, without prejudice to Article 150;

qualified majority

i) equality between men and women with regard to labour market opportunities and treatment at work.

qualified majority

qualified majority

Measures, i.e. all legislation, can be adopted by qualified majority and conciliation procedure, except where unanimity is specified

-social laws cannot be harmonised
-only minimum rules

The Council can unanimously extend the conciliation procedure to contracts of employment, collective representation and employment for citizens of 3rd countries, but not for social security (modernisation of the social systems comes under the conciliation procedure set out in the Treaty of Nice)

Directives by agreement

Does not affect the

j) the combating of social exclusion;

k) the modernisation of social protection systems without prejudice to point (c).

2. To this end, the Council:

a) may adopt measures designed to encourage cooperation between Member States through initiatives aimed at improving knowledge, developing exchanges of information and best practices, promoting innovative approaches and evaluating experiences; excluding any harmonisation of the laws and regulations of the Member States;

b) may adopt, in the fields referred to in paragraph 1(a) to (i), by means of directives, minimum requirements for gradual implementation, having regard to the conditions and technical rules obtaining in each of the Member States. Such directives shall avoid imposing administrative, financial and legal constraints in a way which would hold back the creation and development of small and medium-sized undertakings.

The Council shall act in accordance with the procedure referred to in Article 251 after consulting the Economic and Social Committee and the Committee of the Regions, except in the fields referred to in paragraph 1(c), (d), (f) and (g) of this Article, where the Council shall act unanimously on a proposal from the Commission, after consulting the European Parliament and the said Committees. The Council, acting unanimously on a proposal from the Commission, after consulting the European Parliament, may decide to render the procedure referred to in Article 251 applicable to paragraph 1(d), (f) and (g) of this Article.

3. A Member State may entrust management and labour, at their joint request, with the implementation of directives adopted pursuant to paragraph 2.

In this case, it shall ensure that, no later than the date on which a directive must be transposed in accordance with Article 249, management and labour have introduced the necessary measures by agreement, the Member State concerned being required to take any necessary measure enabling it at any time to be in a position to guarantee the results imposed by that directive.

4. The provisions adopted pursuant to this Article:

shall not affect the right of Member States to define the

basic principles of social security

fundamental principles of their social security systems and must not significantly affect the financial equilibrium thereof;

shall not prevent any Member State from maintaining or introducing more stringent protective measures compatible with this Treaty.

Not pay, right of association, strikes and lockouts

5. The provisions of this Article shall not apply to pay, the right of association, the right to strike or the right to impose lock-outs.

ARTICLE 141 (ex Article 119) TEC

Equal pay, equal treatment and positive discrimination

1. Each Member State shall ensure that the principle of equal pay for male and female workers for equal work or work of equal value is applied.

2. For the purpose of this Article, "pay" means the ordinary basic or minimum wage or salary and any other consideration, whether in cash or in kind, which the worker receives directly or indirectly, in respect of his employment, from his employer.

Equal pay for work of the same value

Equal pay without discrimination based on sex means:

- a) that pay for the same work at piece rates shall be calculated on the basis of the same unit of measurement;
- b) that pay for work at time rates shall be the same for the same job.

Qualified majority decides under the conciliation procedure

3. The Council, acting in accordance with the procedure referred to in Article 251, and after consulting the Economic and Social Committee, shall adopt measures to ensure the application of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation, including the principle of equal pay for equal work or work of equal value.

Positive discrimination by Member States

4. With a view to ensuring full equality in practice between men and women in working life, the principle of equal treatment shall not prevent any Member State from maintaining or adopting measures providing for specific advantages in order to make it easier for the under-represented sex to pursue a vocational activity or to prevent or compensate for disadvantages in professional careers.

CHAPTER 3:
EDUCATION, VOCATIONAL TRAINING AND YOUTH

Education

ARTICLE 149 (ex Article 126) TEC

Objectives and means:
-support and supplement quality education

1. The Community shall contribute to the development of quality education by encouraging cooperation between Member States and, if necessary, by supporting and supplementing their action, while fully respecting the responsibility of the Member States for the content of teaching and the organisation of education systems and their cultural and linguistic diversity.

Objectives:

2. Community action shall be aimed at:

-European dimension

developing the European dimension in education, particularly through the teaching and dissemination of the languages of the Member States;

-mobility
-diplomas

encouraging mobility of students and teachers, inter alia by encouraging the academic recognition of diplomas and periods of study;

-cooperation

promoting cooperation between educational establishments;

developing exchanges of information and experience on issues common to the education systems of the Member States;

-exchanges of young people

encouraging the development of youth exchanges and of exchanges of socio-educational instructors;

-distance education

encouraging the development of distance education.

3. The Community and the Member States shall foster cooperation with third countries and the competent international organisations in the field of education, in particular the Council of Europe.

4. In order to contribute to the achievement of the objectives referred to in this Article, the Council:

Incentive measures - no harmonisation

acting in accordance with the procedure referred to in Article 251, after consulting the Economic and Social

Committee and the Committee of the Regions, shall adopt incentive measures, excluding any harmonisation of the laws and regulations of the Member States;

Recommendations
by qualified majority

acting by a qualified majority on a proposal from the Commission, shall adopt recommendations.

TITLE XII (ex Title IX): CULTURE

ARTICLE 151 (ex Article 128) TEC

Objectives: Respect
diversity and
emphasise common
cultural heritage

1. The Community shall contribute to the flowering of the cultures of the Member States, while respecting their national and regional diversity and at the same time bringing the common cultural heritage to the fore.

-support and extend

2. Action by the Community shall be aimed at encouraging cooperation between Member States and, if necessary, supporting and supplementing their action in the following areas:

-disseminate

improvement of the knowledge and dissemination of the culture and history of the European peoples;

-protect

conservation and safeguarding of cultural heritage of European significance;

non-commercial cultural exchanges;

artistic and literary creation, including in the audiovisual sector.

International
cooperation
The Council of
Europe

3. The Community and the Member States shall foster cooperation with third countries and the competent international organisations in the sphere of culture, in particular the Council of Europe.

Promote diversity

4. The Community shall take cultural aspects into account in its action under other provisions of this Treaty, in particular in order to respect and to promote the diversity of its cultures.

Conciliation
procedure, but with
unanimity in the
Council

5. In order to contribute to the achievement of the objectives referred to in this Article, the Council:

acting in accordance with the procedure referred to in Article 251 and after consulting the Committee of the Regions, shall adopt incentive measures, excluding any harmonisation of the laws and regulations of the Member States. The Council shall act unanimously throughout the procedure referred to in Article 251;

acting unanimously on a proposal from the Commission, shall adopt recommendations.

TITLE XIV (ex Title XI): CONSUMER PROTECTION

TITLE XV (ex Title XII): TRANS-EUROPEAN NETWORKS

TITLE XVI (ex Title XIII): INDUSTRY

TITLE XVII (ex Title XIV): ECONOMIC AND SOCIAL COHESION

TITLE XVIII (ex Title XV): RESEARCH AND TECHNOLOGICAL DEVELOPMENT

TITLE XIX (ex Title XVI): ENVIRONMENT

TITLE XX (ex Title XVII): DEVELOPMENT COOPERATION

TITLE XXI: ECONOMIC, FINANCIAL AND TECHNICAL COOPERATION WITH THIRD COUNTRIES

PART FOUR: ASSOCIATION OF THE OVERSEAS COUNTRIES AND TERRITORIES

PART FIVE: INSTITUTIONS OF THE COMMUNITY

TITLE I: PROVISIONS GOVERNING THE INSTITUTIONS

CHAPTER 1: THE INSTITUTIONS

ARTICLE 190 (ex Article 138) TEC

1. The representatives in the European Parliament of the peoples of the States brought together in the Community shall be elected by direct universal suffrage.
2. The number of representatives elected in each Member State shall be as follows:

Belgium	25
Denmark	16
Germany	99
Greece	25
Spain	64
France	87
Ireland	15
Italy	87
Luxembourg	6
Netherlands	31
Austria	21
Portugal	25
Finland	16
Sweden	22
United Kingdom	87

See Nice Declaration
20 on membership
with proposals for
Candidate States

The change will be
brought in regardless
of whether the EU is
enlarged

Appropriate representation of the peoples

In the event of amendments to this paragraph, the number of representatives elected in each Member State must ensure appropriate representation of the peoples of the States brought together in the Community.

3. Representatives shall be elected for a term of five years.

4. The European Parliament shall draw up a proposal for elections by direct universal suffrage in accordance with a uniform procedure in all Member States or in accordance with principles common to all Member States.

The Council shall, acting unanimously after obtaining the assent of the European Parliament, which shall act by a majority of its component members, lay down the appropriate provisions, which it shall recommend to Member States for adoption in accordance with their respective constitutional requirements.

Nice: statute on pay and working conditions can be adopted by qualified majority
-but tax to be unanimous

5. The European Parliament, after seeking an opinion from the Commission and with the approval of the Council acting **by a qualified majority**, shall lay down the regulations and general conditions governing the performance of the duties of its Members. **All rules or conditions relating to the taxation of Members or former Members shall require unanimity within the Council.**

ARTICLE 191 (ex Article 138a) TEC

Nice: European parties:
-rules by qualified majority and conciliation procedure

Political parties at European level are important as a factor for integration within the Union. They contribute to forming a European awareness and to expressing the political will of the citizens of the Union.

The Council, acting in accordance with the procedure referred to in Article 251, shall lay down the regulations governing political parties at European level and in particular the rules regarding their funding.

Funding

ARTICLE 201 (ex Article 144) TEC

Motion of censure on the Commission

If a motion of censure on the activities of the Commission is tabled before it, the European Parliament shall not vote thereon until at least three days after the motion has been tabled and only by open vote.

2/3 majority, at least 314 of 626 members until 2004

If the motion of censure is carried by a two-thirds majority of the votes cast, representing a majority of the Members of the European Parliament, the Members of the Commission shall resign as a body. They shall continue to deal with current business until they are replaced in accordance with Article 214. In this case, the term of office of the Members of the Commission appointed to replace them shall expire on the date on which the term of office of the Members of the Commission obliged to resign as a body would have expired.

ARTICLE 203 (ex Article 146) TEC

One representative from each Member State, committing its government; Presidency changes every sixth months

The Council shall consist of a representative of each Member State at ministerial level, authorised to commit the government of that Member State.

The office of President shall be held in turn by each Member State in the Council for a term of six months in the order decided by the Council acting unanimously.

ARTICLE 205 (ex Article 148) TEC

Simple majority is the principal rule, which is hardly ever used
With 15 Members, the simple majority is 8 countries

1. Save as otherwise provided in this Treaty, the Council shall act by a majority of its members.

2. Where the Council is required to act by a qualified majority, the votes of its members shall be weighted as follows:

Belgium	5
Denmark	3
Germany	10
Greece	5
Spain	8
France	10
Ireland	3
Italy	10
Luxembourg	2
Netherlands	5
Austria	4
Portugal	5
Finland	3
Sweden	4
United Kingdom	10

See also Declaration 20 for the applicant countries

For their adoption, acts of the Council shall require at least:

62 of 87 votes

62 votes in favour where this Treaty requires them to be adopted on a proposal from the Commission,

- from 10 countries

62 votes in favour, cast by at least 10 members, in other cases.

3. Abstentions by members present in person or represented shall not prevent the adoption by the Council of acts which require unanimity.

ARTICLE 207 (ex Article 151) TEC

COREPER:
Permanent
representative from
each Member State
in Brussels

1. A committee consisting of the Permanent Representatives of the Member States shall be responsible for preparing the work of the Council and for carrying out the tasks assigned to it by the Council. The Committee may adopt procedural decisions in cases provided for in the Council's Rules of Procedure.

Nice: Secretary-
General and High
Representative, plus
Deputy Secretary-
General are to be
appointed by
qualified majority in
the Council

2. The Council shall be assisted by a General Secretariat, under the responsibility of a Secretary-General, High Representative for the common foreign and security policy, who shall be assisted by a Deputy Secretary-General responsible for the running of the General Secretariat. The Secretary-General and the Deputy Secretary-General shall be appointed by the Council, acting **by a qualified majority**. The Council shall decide on the organisation of the General Secretariat.

Rules of procedure
Access to documents

3. The Council shall adopt its Rules of Procedure. For the purpose of applying Article 255(3), the Council shall elaborate in these Rules the conditions under which the public shall have access to Council documents. For the purpose of this paragraph, the Council shall define the cases in which it is to be regarded as acting in its legislative capacity, with a view to allowing greater access to documents in those cases, while at the same time preserving the effectiveness of its decision-making process. In any event, when the Council acts in its legislative capacity, the results of votes and explanations of vote as well as statements in the minutes shall be made public.

ARTICLE 211 (ex Article 155) TEC

Duties of the
Commission:

In order to ensure the proper functioning and development of the common market, the Commission shall:

-implement	ensure that the <u>provisions</u> of this Treaty and the measures taken by the institutions pursuant thereto are applied;
-make recommendations -give opinions	formulate <u>recommendations</u> or <u>deliver opinions</u> on matters dealt with in this Treaty, if it expressly so provides or if the Commission considers it necessary;
-take decisions -participate in the legislation process	have <u>its own power of decision</u> and <u>participate</u> in the <u>shaping of measures</u> taken by the Council and by the European Parliament in the manner provided for in this Treaty;
-exercise powers	<u>exercise the powers conferred on it by the Council</u> for the implementation of the rules laid down by the latter.

ARTICLE 213 (ex Article 157) TEC

20 Members	1. The Commission shall consist of <u>20 Members</u> , who shall be chosen on the grounds of their general competence and whose <u>independence</u> is beyond doubt.
Altered unanimously	The number of Members of the Commission may be <u>altered by the Council</u> , acting <u>unanimously</u> .
At least one from each, max. 2 Nice foresees rotation between Member States	Only nationals of Member States may be Members of the Commission. The Commission must <u>include at least one national of each of the Member States</u> , but may <u>not include more than two</u> Members having the nationality of the same State.
Independent	2. The Members of the Commission shall, <u>in the general interest of the Community</u> , be <u>completely independent</u> in the performance of their duties.
Instructions prohibited	In the performance of these duties, they shall <u>neither seek nor take instructions</u> from any government or from any other body. They shall refrain from any action incompatible with their duties. Each Member State undertakes to respect this principle and not to seek to influence the Members of the Commission in the performance of their tasks.
No other occupation	The Members of the Commission may <u>not</u> , during their term of office, <u>engage in any other occupation</u> , whether <u>gainful or not</u> . When entering upon their duties they shall give a solemn undertaking that, both during and after their term of office, they will respect the obligations arising therefrom and in particular their duty to behave with integrity and discretion as regards the acceptance, after they have ceased to hold office, of certain appointments or benefits. In the event of any breach of these obligations, the <u>Court of Justice</u> may, on application by the Council or the Commission, rule that the Member concerned be, according to the circumstances, either <u>compulsorily retired</u> in
Court of Justice may compulsorily retire Members – or deprive them of pension	

accordance with Article 216 or deprived of his right to a pension or other benefits in its stead.

ARTICLE 214 (ex Article 158) TEC

5 years

1. The Members of the Commission shall be appointed, in accordance with the procedure referred to in paragraph 2, for a period of five years, subject, if need be, to Article 201.

Their term of office shall be renewable.

Under Nice:
Qualified majority
nominates President
The Parliament
approves
Qualified majority
nominates all
members

2. **The Council, meeting in the composition of Heads of State or Government and acting by a qualified majority**, shall nominate the person **it** intends to appoint as President of the Commission; the nomination shall be approved by the European Parliament.

The Council, acting by a qualified majority and by common accord with the nominee for President, shall adopt the list of the other persons whom **it intends to appoint as Members of the Commission, **drawn up in accordance with the proposals made by each Member State**.**

The President and the other Members of the Commission thus nominated shall be subject as a body to a vote of approval by the European Parliament. After approval by the European Parliament, the President and the other Members of the Commission shall be appointed by **the Council, acting by a qualified majority**.

The Parliament
approves the entire
Commission
Appointment

ARTICLE 217 (ex Article 161) TEC

Under Nice:
The President
himself determines
the allocation of
portfolios and
exercises political
directions

1. **The Commission shall work under the political guidance of its President, who shall decide on its internal organisation in order to ensure that it acts consistently, efficiently and on the basis of collegiality.**

2. **The responsibilities incumbent upon the Commission shall be structured and allocated among its Members by its President. The President may reshuffle the allocation of those responsibilities during the Commission's term of office. The Members of the Commission shall carry out the duties devolved upon them by the President under his authority.**

The President appoints the Deputy Presidents and can fire his "ministers" by a simple majority of the Commission

Infringement of the Treaty

1. Letter of formal notice
2. Response
3. Court

Compliance with judgement

Reasoned opinion

Lump sum or penalty payment specified by Court of Justice

3. After obtaining the approval of the College, the President shall appoint Vice-Presidents from among its Members.

4. A Member of the Commission shall resign if the President so requests, after obtaining the approval of the College.

ARTICLE 226 (ex Article 169) TEC

If the Commission considers that a Member State has failed to fulfil an obligation under this Treaty, it shall deliver a reasoned opinion on the matter after giving the State concerned the opportunity to submit its observations.

If the State concerned does not comply with the opinion within the period laid down by the Commission, the latter may bring the matter before the Court of Justice.

ARTICLE 228 (ex Article 171) TEC

1. If the Court of Justice finds that a Member State has failed to fulfil an obligation under this Treaty, the State shall be required to take the necessary measures to comply with the judgment of the Court of Justice.

2. If the Commission considers that the Member State concerned has not taken such measures it shall, after giving that State the opportunity to submit its observations, issue a reasoned opinion specifying the points on which the Member State concerned has not complied with the judgment of the Court of Justice.

If the Member State concerned fails to take the necessary measures to comply with the Court's judgment within the time-limit laid down by the Commission, the latter may bring the case before the Court of Justice. In so doing it shall specify the amount of the lump sum or penalty payment to be paid by the Member State concerned which it considers appropriate in the circumstances.

If the Court of Justice finds that the Member State concerned has not complied with its judgment it may impose a lump sum or penalty payment on it.

This procedure shall be without prejudice to Article 227.

CHAPTER 2:
PROVISIONS COMMON TO SEVERAL INSTITUTIONS

ARTICLE 249 (ex Article 189) TEC

Kinds of provisions:

1. Regulations
 2. Directives
 3. Decisions
 4. Recommendations
 5. Opinions
- (Directives can be binding without national confirmation)

In order to carry out their task and in accordance with the provisions of this Treaty, the European Parliament acting jointly with the Council, the Council and the Commission shall make regulations and issue directives, take decisions, make recommendations or deliver opinions.

A regulation shall have general application. It shall be binding in its entirety and directly applicable in all Member States.

A directive shall be binding, as to the result to be achieved, upon each Member State to which it is addressed, but shall leave to the national authorities the choice of form and methods.

A decision shall be binding in its entirety upon those to whom it is addressed.

Recommendations and opinions shall have no binding force.

ARTICLE 250 (ex Article 189a) TEC

Unanimity in the Council for amending Commission proposals except -during the closing stage of the conciliation procedure

1. Where, in pursuance of this Treaty, the Council acts on a proposal from the Commission, unanimity shall be required for an act constituting an amendment to that proposal, subject to Article 251(4) and (5).

2. As long as the Council has not acted, the Commission may alter its proposal at any time during the procedures leading to the adoption of a Community act.

ARTICLE 251 (ex Article 189b) TEC

Principal rules for EU decisions
Joint decision-taking
= Conciliation procedure

1. Where reference is made in this Treaty to this Article for the adoption of an act, the following procedure shall apply.

2. The Commission shall submit a proposal to the European Parliament and the Council.

3. The Council, acting by a qualified majority after obtaining the opinion of the European Parliament,

The Commission proposes

The Council decides by qualified majority
The Parliament gives its opinion by simple majority during the first reading

if it approves all the amendments contained in the European Parliament's opinion, may adopt the proposed act thus amended;

if the European Parliament does not propose any amendments, may adopt the proposed act;

shall otherwise adopt a common position and communicate it to the European Parliament. The Council shall inform the European Parliament fully of the reasons which led it to adopt its common position. The Commission shall inform the European Parliament fully of its position.

If, within three months of such communication, the European Parliament:

- a) approves the common position or has not taken a decision, the act in question shall be deemed to have been adopted in accordance with that common position;
- b) rejects, by an absolute majority of its component members, the common position, the proposed act shall be deemed not to have been adopted;
- c) proposes amendments to the common position by an absolute majority of its component members, the amended text shall be forwarded to the Council and to the Commission, which shall deliver an opinion on those amendments.

3. If, within three months of the matter being referred to it, the Council, acting by a qualified majority, approves all the amendments of the European Parliament, the act in question shall be deemed to have been adopted in the form of the common position thus amended; however, the Council shall act unanimously on the amendments on which the Commission has delivered a negative opinion. If the Council does not approve all the amendments, the President of the Council, in agreement with the President of the European Parliament, shall within six weeks convene a meeting of the Conciliation Committee.

The Parliament proposes amendments or rejects proposals by absolute majority among the members during the 2nd reading - 314 of 626 members

The Council must be unanimous to go against the Commission at this stage

If the Council and the Parliament are not in agreement, a conciliation committee is set up. Commission participates.

4. The Conciliation Committee, which shall be composed of the members of the Council or their representatives and an equal number of representatives of the European Parliament, shall have the task of reaching agreement on a joint text, by a qualified majority of the members of the Council or their representatives and by a majority of the representatives of the European Parliament. The Commission shall take part in the Conciliation Committee's proceedings and shall take all the necessary initiatives with a view to reconciling the positions of the European Parliament and the Council. In fulfilling this task, the Conciliation Committee shall address the common position on the basis of the amendments proposed by the European Parliament.

Conciliation must be approved by a simple majority in the Parliament and a qualified majority in the Council.

5. If, within six weeks of its being convened, the Conciliation Committee approves a joint text, the European Parliament, acting by an absolute majority of the votes cast, and the Council, acting by a qualified majority, shall each have a period of six weeks from that approval in which to adopt the act in question in accordance with the joint text. If either of the two institutions fails to approve the proposed act within that period, it shall be deemed not to have been adopted.

6. Where the Conciliation Committee does not approve a joint text, the proposed act shall be deemed not to have been adopted.

Deadlines

7. The periods of three months and six weeks referred to in this Article shall be extended by a maximum of one month and two weeks respectively at the initiative of the European Parliament or the Council.

Access to documents

ARTICLE 255 (ex Article 191a) TEC

Qualified majority have adopted new rules by May 2001 CE no. 1049 2001

1. Any citizen of the Union, and any natural or legal person residing or having its registered office in a Member State, shall have a right of access to European Parliament, Council and Commission documents, subject to the principles and the conditions to be defined in accordance with paragraphs 2 and 3.

2. General principles and limits on grounds of public or private interest governing this right of access to documents shall be determined by the Council, acting in accordance with the procedure referred to in Article 251 within two years of the entry into force of the Treaty of Amsterdam.

3. Each institution referred to above shall elaborate in its own Rules of Procedure specific provisions regarding access to its documents.

TITLE II: FINANCIAL PROVISIONS

ARTICLE 272 (ex Article 203) TEC

The budget procedure

Estimate before 1st July

The Commission proposes before 1st September

Council decides by a qualified majority

The Parliament can propose amendments by simple majority for obligatory expenditure and by absolute majority of the members – 314 out of 626 for non-obligatory, on which the Parliament has "the final say" below a certain ceiling

1. The financial year shall run from 1 January to 31 December.
2. Each institution of the Community shall, before 1 July, draw up estimates of its expenditure. The Commission shall consolidate these estimates in a preliminary draft budget. It shall attach thereto an opinion which may contain different estimates.
The preliminary draft budget shall contain an estimate of revenue and an estimate of expenditure.
3. The Commission shall place the preliminary draft budget before the Council not later than 1 September of the year preceding that in which the budget is to be implemented.
The Council shall consult the Commission and, where appropriate, the other institutions concerned whenever it intends to depart from the preliminary draft budget.
The Council, acting by a qualified majority, shall establish the draft budget and forward it to the European Parliament.
4. The draft budget shall be placed before the European Parliament not later than 5 October of the year preceding that in which the budget is to be implemented.
The European Parliament shall have the right to amend the draft budget, acting by a majority of its Members, and to propose to the Council, acting by an absolute majority of the votes cast, modifications to the draft budget relating to expenditure necessarily resulting from this Treaty or from acts adopted in accordance therewith.
If, within 45 days of the draft budget being placed before it, the European Parliament has given its approval, the budget shall stand as finally adopted. If within this period the European Parliament has not amended the draft budget nor proposed any modifications thereto, the budget shall be deemed to be finally adopted.
If within this period the European Parliament has adopted amendments or proposed modifications, the draft budget together with the amendments or proposed modifications shall be forwarded to the Council.
5. After discussing the draft budget with the Commission and, where appropriate, with the other institutions concerned, the Council shall act under the following conditions:

Council modifies by qualified majority

"Proposals for amendments" concern non-obligatory expenditure

a) the Council may, acting by a qualified majority, modify any of the amendments adopted by the European Parliament;

b) with regard to the proposed modifications:

where a modification proposed by the European Parliament does not have the effect of increasing the total amount of the expenditure of an institution, owing in particular to the fact that the increase in expenditure which it would involve would be expressly compensated by one or more proposed modifications correspondingly reducing expenditure, the Council may, acting by a qualified majority, reject the proposed modification. In the absence of a decision to reject it, the proposed modification shall stand as accepted;

where a modification proposed by the European Parliament has the effect of increasing the total amount of the expenditure of an institution, the Council may, acting by a qualified majority, accept this proposed modification. In the absence of a decision to accept it, the proposed modification shall stand as rejected;

where, in pursuance of one of the two preceding subparagraphs, the Council has rejected a proposed modification, it may, acting by a qualified majority, either retain the amount shown in the draft budget or fix another amount.

The draft budget shall be modified on the basis of the proposed modifications accepted by the Council.

If, within 15 days of the draft being placed before it, the Council has not modified any of the amendments adopted by the European Parliament and if the modifications proposed by the latter have been accepted, the budget shall be deemed to be finally adopted. The Council shall inform the European Parliament that it has not modified any of the amendments and that the proposed modifications have been accepted.

If within this period the Council has modified one or more of the amendments adopted by the European Parliament or if the modifications proposed by the latter have been rejected or modified, the modified draft budget shall again be forwarded to the European Parliament. The Council shall inform the European Parliament of the results of its deliberations.

The Council's amendments can be rejected by absolute majority of the members and 3/5 of the votes in the European Parliament

The President of the Parliament signs the budget

An absolute majority and 2/3 of the votes cast can reject the budget

The maximum interest rate for non-obligatory expenditure to be calculated or agreed between a qualified majority in the Council and an absolute majority in the EP (314 of the votes cast in the Parliament)

New rate, requiring qualified majority in Council and absolute

6. Within 15 days of the draft budget being placed before it, the European Parliament, which shall have been notified of the action taken on its proposed modifications, may, acting by a majority of its Members and three-fifths of the votes cast, amend or reject the modifications to its amendments made by the Council and shall adopt the budget accordingly. If within this period the European Parliament has not acted, the budget shall be deemed to be finally adopted.

7. When the procedure provided for in this Article has been completed, the President of the European Parliament shall declare that the budget has been finally adopted.

8. However, the European Parliament, acting by a majority of its Members and two-thirds of the votes cast, may, if there are important reasons, reject the draft budget and ask for a new draft to be submitted to it.

9. A maximum rate of increase in relation to the expenditure of the same type to be incurred during the current year shall be fixed annually for the total expenditure other than that necessarily resulting from this Treaty or from acts adopted in accordance therewith.

The Commission shall, after consulting the Economic Policy Committee, declare what this maximum rate is as it results from:

the trend, in terms of volume, of the gross national product within the Community;

the average variation in the budgets of the Member States;
and

the trend of the cost of living during the preceding financial year.

The maximum rate shall be communicated, before 1 May, to all the institutions of the Community. The latter shall be required to conform to this during the budgetary procedure, subject to the provisions of the fourth and fifth subparagraphs of this paragraph.

If, in respect of expenditure other than that necessarily resulting from this Treaty or from acts adopted in accordance therewith, the actual rate of increase in the draft budget established by the Council is over half the maximum rate, the European Parliament may, exercising its right of amendment, further increase the total amount of that expenditure to a limit not exceeding half the maximum rate.

Where the European Parliament, the Council or the Commission consider that the activities of the Communities require that the rate

majority in
Parliament

determined according to the procedure laid down in this paragraph should be exceeded, another rate may be fixed by agreement between the Council, acting by a qualified majority, and the European Parliament, acting by a majority of its Members and three-fifths of the votes cast.

Balanced budget

10. Each institution shall exercise the powers conferred upon it by this Article, with due regard for the provisions of the Treaty and for acts adopted in accordance therewith, in particular those relating to the Communities' own resources and to the balance between revenue and expenditure.

PART SIX: GENERAL AND FINAL PROVISIONS

ARTICLE 281 (ex Article 210) TEC

Legal personality

The Community shall have legal personality.

Seats

ARTICLE 289 (ex Article 216) TEC

Seats of institutions
by common accord

The seat of the institutions of the Community shall be determined by common accord of the Governments of the Member States.

ARTICLE 290 (ex Article 217) TEC

Languages by
unanimity

The rules governing the languages of the institutions of the Community shall, without prejudice to the provisions contained in the Statute of the Court of Justice, be determined by the Council, acting unanimously.

ARTICLE 292 (ex Article 219) TEC

All disputes are to be
settled according to
the rules of the
Treaty

Member States undertake not to submit a dispute concerning the interpretation or application of this Treaty to any method of settlement other than those provided for therein.

ARTICLE 294 (ex Article 221) TEC

Not to discriminate
against others

Member States shall accord nationals of the other Member States the same treatment as their own nationals as regards participation in the

regarding
investments

capital of companies or firms within the meaning of Article 48, without prejudice to the application of the other provisions of this Treaty.

ARTICLE 295 (ex Article 222) TEC

Property rights are
not affected

This Treaty shall in no way prejudice the rules in Member States governing the system of property ownership.

ARTICLE 300 (ex Article 228) TEC

International
agreements
The Commission
recommends
The Council
authorises to
negotiate

1. Where this Treaty provides for the conclusion of agreements between the Community and one or more States or international organisations, the Commission shall make recommendations to the Council, which shall authorise the Commission to open the necessary negotiations. The Commission shall conduct these negotiations in consultation with special committees appointed by the Council to assist it in this task and within the framework of such directives as the Council may issue to it. In exercising the powers conferred upon it by this paragraph, the Council shall act by a qualified majority, except in the cases where the first subparagraph of paragraph 2 provides that the Council shall act unanimously.

Qualified majority

2. Subject to the powers vested in the Commission in this field, the signing, which may be accompanied by a decision on provisional application before entry into force, and the conclusion of the agreements shall be decided on by the Council, acting by a qualified majority on a proposal from the Commission. The Council shall act unanimously when the agreement covers a field for which unanimity is required for the adoption of internal rules and for the agreements referred to in Article 310.

Under Nice:
The references to
Article 310 were
omitted
(Association
agreements)

By way of derogation from the rules laid down in paragraph 3, the same procedures shall apply for a decision to suspend the application of an agreement, and for the purpose of establishing the positions to be adopted on behalf of the Community in a body set up by an agreement, when that body is called upon to adopt decisions having legal effects, with the exception of decisions supplementing or amending the institutional framework of the agreement.

The European Parliament shall be immediately and fully informed on any decision under this paragraph concerning the provisional application or the suspension of agreements, or the establishment of the Community position in a body set up by an agreement.

3. The Council shall conclude agreements after consulting the European Parliament, except for the agreements referred to in Article 133(3),

Assent with 314 votes in favour for agreements establishing a specific institutional framework or important budget

including cases where the agreement covers a field for which the procedure referred to in Article 251 or that referred to in Article 252 is required for the adoption of internal rules. The European Parliament shall deliver its opinion within a time-limit which the Council may lay down according to the urgency of the matter. In the absence of an opinion within that time-limit, the Council may act.

By way of derogation from the previous subparagraph, agreements referred to in Article 310, other agreements establishing a specific institutional framework by organising cooperation procedures, agreements having important budgetary implications for the Community and agreements entailing amendment of an act adopted under the procedure referred to in Article 251 shall be concluded after the assent of the European Parliament has been obtained.

The Council and the European Parliament may, in an urgent situation, agree upon a time-limit for the assent.

Simplified procedure

4. When concluding an agreement, the Council may, by way of derogation from paragraph 2, authorise the Commission to approve modifications on behalf of the Community where the agreement provides for them to be adopted by a simplified procedure or by a body set up by the agreement; it may attach specific conditions to such authorisation.

5. When the Council envisages concluding an agreement which calls for amendments to this Treaty, the amendments must first be adopted in accordance with the procedure laid down in Article 48 of the Treaty on European Union.

Under Nice: The Parliament can also ask the Court for an opinion

6. **The European Parliament**, The Council, the Commission or a Member State may obtain the opinion of the Court of Justice as to whether an agreement envisaged is compatible with the provisions of this Treaty. Where the opinion of the Court of Justice is adverse, the agreement may enter into force only in accordance with Article 48 of the Treaty on European Union.

Agreements are binding on the EU and the Member States

7. Agreements concluded under the conditions set out in this Article shall be binding on the institutions of the Community and on Member States.

ARTICLE 301 (ex Article 228a) TEC

Economic sanctions by qualified majority

Where it is provided, in a common position or in a joint action adopted according to the provisions of the Treaty on European Union relating to the

common foreign and security policy, for an action by the Community to interrupt or to reduce, in part or completely, economic relations with one or more third countries, the Council shall take the necessary urgent measures. The Council shall act by a qualified majority on a proposal from the Commission.

The "Flexibility Clause"

Unanimity in the Council
Parliament to be consulted

ARTICLE 308 (ex Article 235) TEC

If action by the Community should prove necessary to attain, in the course of the operation of the common market, one of the objectives of the Community and this Treaty has not provided the necessary powers, the Council shall, acting unanimously on a proposal from the Commission and after consulting the European Parliament, take the appropriate measures.

ARTICLE 309 (ex Article 236) TEC

Suspension of voting rights

1. Where a decision has been taken to suspend the voting rights of the representative of the government of a Member State in accordance with Article 7 (3) of the Treaty on European Union, these voting rights shall also be suspended with regard to this Treaty.

Serious and persistent breach

2. Moreover, where the existence of a serious and persistent breach by a Member State of principles mentioned in Article 6(1) of the Treaty on European Union has been determined in accordance with Article 7(2) of that Treaty, the Council, acting by a qualified majority, may decide to suspend certain of the rights deriving from the application of this Treaty to the Member State in question. In doing so, the Council shall take into account the possible consequences of such a suspension on the rights and obligations of natural and legal persons.

Continue to be bound by obligations

The obligations of the Member State in question under this Treaty shall in any case continue to be binding on that State.

Qualified majority can amend decisions

3. The Council, acting by a qualified majority, may decide subsequently to vary or revoke measures taken in accordance with paragraph 2 in response to changes in the situation which led to their being imposed.

Voting rules to be calculated proportionately

4. When taking decisions referred to in paragraphs 2 and 3, the Council shall act without taking into account the votes of the representative of the government of the Member State in question. By way of derogation from Article 205(2) a qualified majority shall be defined as the same proportion of the weighted votes of the members of the Council concerned as laid down in Article 205(2).

This paragraph shall also apply in the event of voting rights being suspended in accordance with paragraph 1. In such cases, a decision

requiring unanimity shall be taken without the vote of the representative of the government of the Member State in question.

ARTICLE 310 (ex Article 238) TEC

Association agreements with 3rd countries and international organisations

The Community may conclude with one or more States or international organisations agreements establishing an association involving reciprocal rights and obligations, common action and special procedure.

ARTICLE 312 (ex Article 240) TEC

Concluded for an unlimited period

This Treaty is concluded for an unlimited period.

FINAL PROVISIONS

ARTICLE 313 (ex Article 247) TEC

Ratification and coming into force

Treaty to be ratified by the national Parliaments of all EU countries.

This Treaty shall be ratified by the High Contracting Parties in accordance with their respective constitutional requirements. The instruments of ratification shall be deposited with the Government of the Italian Republic.

Ratification by all Member States required
Entry into force two months after last ratification

This Treaty shall enter into force on the first day of the month following the deposit of the instrument of ratification by the last signatory State to take this step. If, however, such deposit is made less than 15 days before the beginning of the following month, this Treaty shall not enter into force until the first day of the second month after the date of such deposit.

Protocols are binding part of the treaties- declarations are not legally binding

PROTOCOLS AND DECLARATIONS

Protocol on the convergence criteria referred to in Article 121 (ex Article 109j) of the Treaty establishing the European Community

EMU protocol on the convergence criteria

THE HIGH CONTRACTING PARTIES,
DESIRING to lay down the details of the convergence criteria which shall guide the Community in taking decisions on the passage to the third stage of economic and monetary union, referred to in Article 121(1) of this Treaty,
HAVE AGREED upon the following provisions, which shall be annexed to the Treaty establishing the European Community.

ARTICLE 1

Price stability -
Maximum 1 ½ %
more inflation than
the 3 best Member
States

The criterion on price stability referred to in the first indent of Article 121(1) of this Treaty shall mean that a Member State has a price performance that is sustainable and an average rate of inflation, observed over a period of one year before the examination, that does not exceed by more than 1½ percentage points that of, at most, the three best performing Member States in terms of price stability. Inflation shall be measured by means of the consumer price index on a comparable basis, taking into account differences in national definitions.

ARTICLE 2

The criterion on the government budgetary position referred to in the second indent of Article 121(1) of this Treaty shall mean that at the time of the examination the Member State is not the subject of a Council decision under Article 104(6) of this Treaty that an excessive deficit exists.

ARTICLE 3

Two years without
devaluation

The criterion on participation in the exchange-rate mechanism of the European Monetary System referred to in the third indent of Article 121(1) of this Treaty shall mean that a Member State has respected the normal fluctuation margins provided for by the exchange-rate mechanism on the European Monetary System without severe tensions for at least the last two years before the examination. In particular, the Member State shall not have devalued its currency's bilateral central

rate against any other Member State's currency on its own initiative for the same period.

ARTICLE 4

Long-term interest maximum 2 % higher than the 3 best Member States

The criterion on the convergence of interest rates referred to in the fourth indent of Article 121(1) of this Treaty shall mean that, observed over a period of one year before the examination, a Member State has had an average nominal long-term interest rate that does not exceed by more than 2 percentage points that of, at most, the three best performing Member States in terms of price stability. Interest rates shall be measured on the basis of long-term government bonds or comparable securities, taking into account differences in national definitions.

ARTICLE 5

The statistical data to be used for the application of this Protocol shall be provided by the Commission.

ARTICLE 6

Protocol can be revoked by unanimity

The Council shall, acting unanimously on a proposal from the Commission and after consulting the European Parliament, the EMI or the ECB as the case may be, and the Committee referred to in Article 114, adopt appropriate provisions to lay down the details of the convergence criteria referred to in Article 121 of this Treaty, which shall then replace this Protocol.

Protocol on the application of the principles of subsidiarity and proportionality

Protocol on the principle of subsidiarity

THE HIGH CONTRACTING PARTIES,
DETERMINED to establish the conditions for the application of the principles of subsidiarity and proportionality enshrined in Article 5 of the Treaty establishing the European Community with a view to defining more precisely the criteria for applying them and to ensure their strict observance and consistent implementation by all institutions;
WISHING to ensure that decisions are taken as closely as possible to the citizens of the Union;
TAKING ACCOUNT of the Inter-institutional Agreement of 25 October 1993 between the European Parliament, the Council and the Commission on procedures for implementing the principle of

subsidiarity;

HAVE CONFIRMED that the conclusions of the Birmingham European Council on 16 October 1992 and the overall approach to the application of the subsidiarity principle agreed by the European Council meeting in Edinburgh on 11-12 December 1992 will continue to guide the action of the Union's institutions as well as the development of the application of the principle of subsidiarity, and, for this purpose, HAVE AGREED UPON the following provisions which shall be annexed to the Treaty establishing the European Community:

All bodies bound by subsidiarity and proportionality

1. In exercising the powers conferred on it, each institution shall ensure that the principle of subsidiarity is complied with. It shall also ensure compliance with the principle of proportionality, according to which any action by the Community shall not go beyond what is necessary to achieve the objectives of the Treaty.

But the existing rules and the principle of superiority for EU law binds as well

2. The application of the principles of subsidiarity and proportionality shall respect the general provisions and the objectives of the Treaty, particularly as regards the maintaining in full of the acquis communautaire and the institutional balance; it shall not affect the principles developed by the Court of Justice regarding the relationship between national and Community law, and it should take into account Article 6(4) of the Treaty on European Union, according to which 'the Union shall provide itself with the means necessary to attain its objectives and carry through its policies'.

New means

Court interpretations accepted

3. The principle of subsidiarity does not call into question the powers conferred on the European Community by the Treaty, as interpreted by the Court of Justice. The criteria referred to in the second paragraph of Article 5 of the Treaty shall relate to areas for which the Community does not have exclusive competence. The principle of subsidiarity provides a guide as to how those powers are to be exercised at the Community level. Subsidiarity is a dynamic concept and should be applied in the light of the objectives set out in the Treaty. It allows Community action within the limits of its powers to be expanded where circumstances so require, and conversely, to be restricted or discontinued where it is no longer justified.

Exclusive competence not affected

Dynamic concept -both ways

Reasons shall be stated

4. For any proposed Community legislation, the reasons on which it is based shall be stated with a view to justifying its compliance with the principles of subsidiarity and proportionality; the reasons for concluding that a Community objective can be better achieved by the Community must be substantiated by qualitative or, wherever possible, quantitative indicators.

Better decided in the EU

5. For Community action to be justified, both aspects of the subsidiarity principle shall be met: the objectives of the proposed action cannot be sufficiently achieved by Member States' action in the framework of their national constitutional system and can therefore be better achieved by action on the part of the Community.

The following guidelines should be used in examining whether the abovementioned condition is fulfilled:

1. Transnational aspects

the issue under consideration has transnational aspects which cannot be satisfactorily regulated by action by Member States;

2. Conflict with the Treaty

actions by Member States alone or lack of Community action would conflict with the requirements of the Treaty (such as the need to correct distortion of competition or avoid disguised restrictions on trade or strengthen economic and social cohesion) or would otherwise significantly damage Member States' interests;

3. Clear benefits of scale

action at Community level would produce clear benefits by reason of its scale or effects compared with action at the level of the Member States.

As simply as possible - directives before regulations

6. The form of Community action shall be as simple as possible, consistent with satisfactory achievement of the objective of the measure and the need for effective enforcement. The Community shall legislate only to the extent necessary. Other things being equal, directives should be preferred to regulations and framework directives to detailed measures. Directives as provided for in Article 249 of the Treaty, while binding upon each Member State to which they are addressed as to the result to be achieved, shall leave to the national authorities the choice of form and methods.

National freedom of action

7. Regarding the nature and the extent of Community action, Community measures should leave as much scope for national decision as possible, consistent with securing the aim of the measure and observing the requirements of the Treaty. While respecting Community law, care should be taken to respect well established national arrangements and the organisation and working of Member States' legal systems. Where appropriate and subject to the need for proper enforcement, Community measures should provide Member States with alternative ways to achieve the objectives of the measures.

Also keep general principles where

8. Where the application of the principle of subsidiarity leads to no

there is no legislation

action being taken by the Community, Member States are required in their action to comply with the general rules laid down in Article 10 of the Treaty, by taking all appropriate measures to ensure fulfilment of their obligations under the Treaty and by abstaining from any measure which could jeopardise the attainment of the objectives of the Treaty.

The Commission should:

9. Without prejudice to its right of initiative, the Commission should:

Publish responses to consultation

a. except in cases of particular urgency or confidentiality, consult widely before proposing legislation and, wherever appropriate, publish consultation documents;

Give reasons in relation to the subsidiarity principle

b. justify the relevance of its proposals with regard to the principle of subsidiarity; whenever necessary, the explanatory memorandum accompanying a proposal will give details in this respect. The financing of Community action in whole or in part from the Community budget shall require an explanation;

Limit burdens

c. take duly into account the need for any burden, whether financial or administrative, falling upon the Community, national governments, local authorities, economic operators and citizens, to be minimised and proportionate to the objective to be achieved;

Annual report

d. submit an annual report to the European Council, the European Parliament and the Council on the application of Article 5 of the Treaty. This annual report shall also be sent to the Committee of the Regions and to the Economic and Social Committee.

The European summit

10. The European Council shall take account of the Commission report referred to in the fourth indent of point 9 within the report on the progress achieved by the Union which it is required to submit to the European Parliament in accordance with Article 4 of the Treaty on European Union.

Subsidiarity controls

11. While fully observing the procedures applicable, the European Parliament and the Council shall, as an integral part of the overall examination of Commission proposals, consider their consistency with Article 5 of the Treaty. This concerns the original Commission proposal as well as amendments which the European Parliament and the Council envisage making to the proposal.

Basis for the Council

12. In the course of the procedures referred to in Articles 251 and 252 of the Treaty, the European Parliament shall be informed of the Council's position on the application of Article 5 of the Treaty, by way of a statement of the reasons which led the Council to adopt its common position. The Council shall inform the European Parliament of the reasons on the basis of which all or part of a Commission proposal is deemed to be inconsistent with Article 5 of the Treaty.

Court monitoring
subsidiarity principle

13. Compliance with the principle of subsidiarity shall be reviewed in accordance with the rules laid down by the Treaty.

PROTOCOLS ANNEXED TO THE TREATY OF NICE

Protocols are
binding and part of
the treaties
/ declarations are not
binding

A. PROTOCOL ANNEXED TO THE TREATY ON EUROPEAN UNION AND TO THE TREATIES ESTABLISHING THE EUROPEAN COMMUNITIES

PROTOCOL ON THE ENLARGEMENT OF THE EUROPEAN UNION

THE HIGH CONTRACTING PARTIES

HAVE AGREED UPON the following provisions, which shall be annexed to the Treaty on European Union and to the Treaties establishing the European Communities:

ARTICLE 1

Repeal of the Protocol on the institutions

The Protocol on the institutions with the prospect of enlargement of the European Union, annexed to the Treaty on European Union and to the Treaties establishing the European Communities, is hereby repealed.

ARTICLE 2

Provisions concerning the European Parliament

1. On 1 January 2004 and with effect from the start of the 2004–2009 term, in Article 190(2) of the Treaty establishing the European

The protocol on
enlargement in the
Treaty of
Amsterdam is
repealed

New seats in the
European Parliament
from 2004 –
regardless of

whether the EU is enlarged or not

Community and in Article 108(2) of the Treaty establishing the European Atomic Energy Community, the first subparagraph shall be replaced by the following:

"The number of representatives elected in each Member State shall be as follows:

Belgium	22
Denmark	13
Germany	99
Greece	22
Spain	50
France	72
Ireland	12
Italy	72
Luxembourg	6
Netherlands	25
Austria	17
Portugal	22
Finland	13
Sweden	18
United Kingdom	72

2004-2009

2. Subject to paragraph 3, the total number of representatives in the European Parliament for the 2004-2009 term shall be equal to the number of representatives specified in Article 190(2) of the Treaty establishing the European Community and in Article 108(2) of the Treaty establishing the European Atomic Energy Community plus the number of representatives of the new Member States resulting from the accession treaties signed by 1 January 2004 at the latest.

Pro rata sharing of 732, but no-one can have more than at present
The Council to decide by simple majority

3. If the total number of members referred to in paragraph 2 is less than 732, a pro rata correction shall be applied to the number of representatives to be elected in each Member State, so that the total number is as close as possible to 732, without such a correction leading to the number of representatives to be elected in each Member State being higher than that provided for in Article 190(2) of the Treaty establishing the European Community and in Article 108(2) of the Treaty establishing the European Atomic Energy Community for the 1999-2004 term.
The Council shall adopt a decision to that effect.

Temporarily over

4. By way of derogation from the second paragraph of Article 189

of the Treaty establishing the European Community and from the second paragraph of Article 107 of the Treaty establishing the European Atomic Energy Community, in the event of the entry into force of accession treaties after the adoption of the Council decision provided for in the second subparagraph of paragraph 3 of this Article, the number of members of the European Parliament may temporarily exceed 732 for the period for which that decision applies. The same correction as that referred to in the first subparagraph of paragraph 3 of this Article shall be applied to the number of representatives to be elected in the Member States in question.

ARTICLE 3

Provisions concerning the weighting of votes in the Council

1. On 1 January 2005:

- a) in Article 205 of the Treaty establishing the European Community and in Article 118 of the Treaty establishing the European Atomic Energy Community:

- (i) paragraph 2 shall be replaced by the following:

"2. Where the Council is required to act by a qualified majority, the votes of its members shall be weighted as follows:

Belgium	12
Denmark	7
Germany	29
Greece	12
Spain	27
France	29
Ireland	7
Italy	29
Luxembourg	4
Netherlands	13
Austria	10
Portugal	12
Finland	7
Sweden	10
United Kingdom	29

Acts of the Council shall require for their adoption at least 169 votes in favour cast by a majority of the members where this Treaty

New vote weighting from 2005, regardless of whether the EU is enlarged or not

UK will have 29 out of 237 votes
Ireland 7 out of 237

169 votes for a qualified majority

and 8 of 15 countries

requires them to be adopted on a proposal from the Commission. In other cases, for their adoption acts of the Council shall require at least 169 votes in favour, cast by at least two-thirds of the members."

(ii) the following paragraph 4 shall be added:

Qualified majority
from countries with
at least 62% of
citizens
38% can block a
decision

"4. When a decision is to be adopted by the Council by a qualified majority, a member of the Council may request verification that the Member States constituting the qualified majority represent at least 62% of the total population of the Union. If that condition is shown not to have been met, the decision in question shall not be adopted."

b) In Article 23(2) of the Treaty on European Union, the third subparagraph shall be replaced by the following text:

"The votes of the members of the Council shall be weighted in accordance with Article 205(2) of the Treaty establishing the European Community. For their adoption, decisions shall require at least 169 votes in favour cast by at least two-thirds of the members. When a decision is to be adopted by the Council by a qualified majority, a member of the Council may request verification that the Member States constituting the qualified majority represent at least 62% of the total population of the Union. If that condition is shown not to have been met, the decision in question shall not be adopted."

c) In Article 34 of the Treaty on European Union, paragraph 3 shall be replaced by the following:

"3. Where the Council is required to act by a qualified majority, the votes of its members shall be weighted as laid down in Article 205(2) of the Treaty establishing the European Community, and for their adoption acts of the Council shall require at least 169 votes in favour, cast by at least two-thirds of the members. When a decision is to be adopted by the Council by a qualified majority, a member of the Council may request verification that the Member States constituting the qualified majority represent at least 62% of the total population of the Union. If that condition is shown not to have been met, the decision in question shall not be adopted."

Threshold to be
changed at the time
of enlargement

2. At the time of each accession, the threshold referred to in the second subparagraph of Article 205(2) of the Treaty establishing the European Community and in the second subparagraph of Article 118(2) of the Treaty establishing the European Atomic Energy Community shall be calculated in such a way that the qualified majority threshold expressed in votes does not exceed the threshold resulting from the table in the Declaration on the enlargement of the European Union, included in the Final Act of

the Conference which adopted the Treaty of Nice.

ARTICLE 4

Provisions concerning the Commission

Composition of the Commission is to be changed
Each country having one Commissioner can be changed by unanimity

1. On 1 January 2005 and with effect from when the first Commission following that date takes up its duties, Article 213(1) of the Treaty establishing the European Community and Article 126(1) of the Treaty establishing the European Atomic Energy Community shall be replaced by the following:

Fewer when the EU has 27 countries

"1. The Members of the Commission shall be chosen on the grounds of their general competence and their independence shall be beyond doubt.

The Commission shall include one national of each of the Member States.

The number of Members of the Commission may be altered by the Council, acting unanimously."

2. When the Union consists of 27 Member States, Article 213(1) of the Treaty establishing the European Community and Article 126(1) of the Treaty establishing the European Atomic Energy Community shall be replaced by the following:

"1. The Members of the Commission shall be chosen on the grounds of their general competence and their independence shall be beyond doubt.

The number of Members of the Commission shall be less than the number of Member States. The Members of the Commission shall be chosen according to a rotation system based on the principle of equality, the implementing arrangements for which shall be adopted by the Council, acting unanimously.

The number of Members of the Commission shall be set by the Council, acting unanimously."

This amendment shall apply as from the date on which the first Commission following the date of accession of the twenty-seventh Member State of the Union takes up its duties.

Rotation based on equality

3. The Council, acting unanimously after signing the treaty of accession of the twenty-seventh Member State of the Union, shall adopt:

**the number of Members of the Commission;
the implementing arrangements for a rotation system based on the principle of equality containing all the criteria and rules necessary for determining the composition of successive colleges automatically on the basis of the following principles:**

- a. Member States shall be treated on a strictly equal footing as regards determination of the sequence of, and the time spent by, their nationals as Members of the Commission; consequently, the difference between the total number of terms of office held by nationals of any given pair of Member States may never be more than one;**
- b. subject to point (a), each successive college shall be so composed as to reflect satisfactorily the demographic and geographical range of all the Member States of the Union.**

4. Any State which accedes to the Union shall be entitled, at the time of its accession, to have one of its nationals as a Member of the Commission until paragraph 2 applies.

DECLARATIONS ANNEXED TO THE FINAL ACT OF THE TREATY OF NICE

20. DECLARATION ON THE ENLARGEMENT OF THE EUROPEAN UNION

The common position to be adopted by the Member States at the accession conferences, as regards the distribution of seats at the European Parliament, the weighting of votes in the Council, the composition of the Economic and Social Committee and the composition of the Committee of the Regions will correspond to the following tables for a Union of 27 Member States.

1. THE EUROPEAN PARLIAMENT

Non-binding
declaration on
enlargement

The composition of the European Parliament at the time of enlargement is to be written into the Treaty at the time of each country's treaty of accession – at this point, for example, the discriminatory treatment of Hungary and the Czech Republic, which are given fewer seats than countries with fewer inhabitants, can be removed.

MEMBER STATES	EP SEATS
Germany	99
United Kingdom	72
France	72
Italy	72
Spain	50
Poland	50
Romania	33
Netherlands	25
Greece	22
Czech Republic	20
Belgium	22
Hungary	20
Portugal	22
Sweden	18
Bulgaria	17
Austria	17
Slovakia	13
Denmark	13
Finland	13
Ireland	12
Lithuania	12
Latvia	8
Slovenia	7
Estonia	6
Cyprus	6
Luxembourg	6
Malta	5
TOTAL	732

2. THE WEIGHTING OF VOTES IN THE COUNCIL

MEMBERS OF THE COUNCIL	WEIGHTED VOTES
Germany	29
United Kingdom	29
France	29
Italy	29
Spain	27
Poland	27
Romania	14

Vote weighting
when the EU is
enlarged

Netherlands	13
Greece	12
Czech Republic	12
Belgium	12
Hungary	12
Portugal	12
Sweden	10
Bulgaria	10
Austria	10
Slovakia	7
Denmark	7
Finland	7
Ireland	7
Lithuania	7
Latvia	4
Slovenia	4
Estonia	4
Cyprus	4
Luxembourg	4
Malta	3
TOTAL	345

Qualified majority of 258 out of 345 votes

Acts of the Council shall require for their adoption at least 258 votes in favour, cast by a majority of members, where this Treaty requires them to be adopted on a proposal from the Commission.

In other cases, for their adoption acts of the Council shall require at least 258 votes in favour cast by at least two-thirds of the members.

62% of EU citizens

When a decision is to be adopted by the Council by a qualified majority, a member of the Council may request verification that the Member States constituting the qualified majority represent at least 62% of the total population of the Union. If that condition is shown not to have been met, the decision in question shall not be adopted.

3. THE ECONOMIC AND SOCIAL COMMITTEE

Composition of the Economic and Social Committee after enlargement

MEMBER STATES	MEMBERS
Germany	24
United Kingdom	24
France	24
Italy	24
Spain	21

Poland	21
Romania	15
Netherlands	12
Greece	12
Czech Republic	12
Belgium	12
Hungary	12
Portugal	12
Sweden	12
Bulgaria	12
Austria	12
Slovakia	9
Denmark	9
Finland	9
Ireland	9
Lithuania	9
Latvia	7
Slovenia	7
Estonia	7
Cyprus	6
Luxembourg	6
Malta	5
TOTAL	344

4. THE COMMITTEE OF THE REGIONS

Composition of the
Committee of the
Regions after
enlargement

MEMBER STATES	MEMBERS
Germany	24
United Kingdom	24
France	24
Italy	24
Spain	21
Poland	21
Romania	15
Netherlands	12
Greece	12
Czech Republic	12
Belgium	12
Hungary	12
Portugal	12

Sweden	12
Bulgaria	12
Austria	12
Slovakia	9
Denmark	9
Finland	9
Ireland	9
Lithuania	9
Latvia	7
Slovenia	7
Estonia	7
Cyprus	6
Luxembourg	6
Malta	5
TOTAL	344

21. DECLARATION ON THE QUALIFIED MAJORITY THRESHOLD AND THE NUMBER OF VOTES FOR A BLOCKING MINORITY IN AN ENLARGED UNION

Insofar as all the candidate countries listed in the Declaration on the enlargement of the European Union have not yet acceded to the Union when the new vote weightings take effect (1 January 2005), the threshold for a qualified majority will move, according to the pace of accessions, from a percentage below the current one to a maximum of 73,4%. When all the candidate countries mentioned above have acceded, the blocking minority, in a Union of 27, will be raised to 91 votes, and the qualified majority threshold resulting from the table given in the Declaration on enlargement of the European Union will be automatically adjusted accordingly.

Declaration on higher threshold for qualified majority