

CHECK AGAINST DELIVERY

COLLEGE OF EUROPE, BRUGES, MARCH 22 1995

ADDRESS BY PRIME MINISTER JEAN-LUC DEHAENE

THE INTERGOVERNMENTAL CONFERENCE OF 1996
AND THE FUTURE OF EUROPE.

Mister Rector
Ladies and Gentlemen,

I am very pleased to have been invited to talk to you tonight about a subject which is becoming ever more important and which, in the months and years ahead, will go on claiming our attention and energy.

The College of Europe in Bruges, the renown and prestige of which are generally recognised, undoubtedly is one of the most appropriate fora for unhesitatingly setting forth our vision and our ambitions as to Europe. The College has proven to be a breeding ground for ideas and personalities committed to the future of Europe and of our society. Its influence indeed goes beyond the academic sphere. The College has trained dozens of students which are now making great efforts in the field towards furthering European unification.

In addition, I am very pleased with the extra muros formula which enables a large audience to participate in the dialogue tonight. The mutual permeation between a voluntarist attitude and this open town which from time immemorial has been known for its European sense, can only be enhanced by it. Being from Bruges myself I can but applaud this initiative.

Mr. Rector, Ladies and Gentlemen,

European unification has entered a crucial and even critical phase and is facing great challenges, which once more are called **deepening and enlargement**

Maastricht MUST definitely be set on the right track, in this respect the implementation of the Economic and Monetary Union **will** provide strong incentives and, **will** make the integration process

Within Europe, some are urging to eliminate the democratic deficit of the European institutions and thus bring them closer to the citizens

At the same time, **it is** being argued the political and security dimension of the European Union should be reinforced, as the challenges which emerge in this respect, require a collective answer.

The new democracies of Central and East Europe have clearly expressed their wish to join the Union. The Mediterranean countries as well are seeking overtures. Those aspirations must be met.

The debate as to the reform, the enlargement and, the future of Europe has indeed been set going. That is what we all wanted and even envisaged. On next June 2, a reflexion group will be set up at Messina, on the occasion of the fortieth anniversary of the Conference which laid the foundations of the future Europe. **It** will be charged with preparing the Intergovernmental Conference of 1996.

The negotiations will to largely be dominated by the following **key question** can we succeed in enlarging our Union without weakening **it** or watering **it** down, will **it** be possible to bring about the enlargement without affecting the necessary deepening. **Will**, the European Union actually realise the greater convergence, **as** has been laid down under the Maastricht treaty **or will it** slip into a 'looser' framework which will be rather

like a somewhat refined version of a free trade area and therefore would no longer deserve to be called a 'Union'? Or, as Jacques Delors has worded it in L'unité d'un home:

Comment, en répondant à l'appel des autres pays, ne pas diluer le projet? Voilà question. Our answer to this question is quite simple. In our view, there is a 'direct connection between depth and basis. In order to bear and, to endure a further enlargement process, the Union must become deeply rooted and not the reverse.

We view the European Construction as having; a fundamental finality: the building up of a political entity sui generis, different from though not undermining the national State, able to play an autonomous part on the world level.

We must still be moved, as we used to be by a strong urge to turn the nationalist 'bidding up and confrontation' into a close political and economic cooperation, in which the partners may increasingly shape their enlightened self-interest, and mutual interests and in which the risk of an armed conflict is more and more suppressed.

For 40 years now, our belief in Europe is deeply rooted in that conviction of a common destiny: the belief in the ultimate goals of the Europe which is being set up and for which the treaties have handed us the tools. The so-called community approach which is based on the integration concept - and the federal approach - should, insofar as possible, serve as the guiding principle for further developing the Union, as it has proved to be the only effective instrument to achieve results.

Although the creed of integration is not supported unanimously by all Member States, it remains the dominating approach, in spite of the peripeties the ratification of Maastricht and the latest enlargement have been faced with. The main issue now is whether the idea of integration will resist a possible enlargement to encompass 25 or even more members which are

showing considerable economic disparities and, which will not all prove to be immune to surging nationalisms.

In the course of its presidency over the European Union in the second half of 1993, Belgium has worked hard for **more and not less Europe**. That should remain our political vision in the years ahead, particularly at the Intergovernmental Conference. The future of the European construction will depend on the actual ability of the Union to come up with concrete answers to the questions and the problems the citizens are faced with. Those problems pertain to employment and growth, environment and sustainable development, crime, drugs traffic and the policies to the right of asylum, **as well** as to **credible**, foreign and security policy.

The answers should qualitatively be of a first-rate nature and should be **common**, and simultaneously should meet the subsidiarity principle. Let there be no misunderstanding: subsidiarity is no one-way principle. It is the indication of the level on which the policy may be pursued in the most effective way. And this may be the higher or the lower level, the Union, the State, as well as - in the case of Belgium - the Regions and the Communities.

In view of that principle, the diversity may be preserved without splitting up and the unity may **be** enhanced without shrivelling uniformity.. Unity through diversity therefore should remain the underlying motive for developing Europe.

Before going into the specific reforms, we are advocating within the three pillars, I would like to warn against two threats..

The Intergovernmental Conference can in no way be turned into an alibi for slowing down or jeopardising the implementation of the Maastricht treaty. **This** treaty indeed holds a number of imperfections which the Conference must not avoid to tackle and for which new settlements must **be** worked out. It however would be a serious error on our part, should we not fully apply the

dynamics which the Treaty contains for achieving a qualitative transition towards a more integrated approach., the Economic and Monetary Union is a key element and the driving force of the said dynamics.

The aim of the IGC is not to cast doubts on the attainments from the past. I think a so-called 're-creation or refoundation' is altogether wrong. Maastricht and the other treaties should not be rewritten. L'Europe n'a pas à refaire sa copie.

On the other hand the enlargement perspective must not weaken the present efforts to achieve 'more internal cohesion'. At the European summit of Essen in last December, we have clearly set forth that the entry negotiations can only be started, after the union has achieved an internal reorganisation and restructuring. Those reforms should be brought about quickly enough, on the one hand, in order not to test the patience of the applicant countries, but also with a view to preventing that intense would result; - in an enlargement without the internal problems having been sorted out. In that case, the enlargement would be 'doomed.' In other words, the deepening and the reinforcement of the union should precede the enlargement. That is for the benefit not only of the union but also of future Member States, which will not benefit from entry into an incoherent and weakened structure. Only a strong and effective Union will be capable of meeting the aspirations of the applicant countries.

There is a lot at stake at the conference. That is self-evident. The revision must not be confined to a mere check-up or a casual 'reform' meeting. We should do our utmost to avoid that the Conference becomes a 'non-event', which accordingly would encumber Europe's future.

Of course it is still far too early to make concrete proposals. This however does not exclude that key elements of an approach may be formulated at this stage.

In my view, Belgium should advocate that a number of activities are raised up to the (highest level of **subsidiarity**. For subsidiarity is a two-way traffic. whenever cooperation would offer more than the sum of the various parts, we should join forces without hesitation. this implies that in a number of areas a maximum community approach should be strived for, in view of the consideration, **if** not the certainty, that the intergovernmental method and the rule of unanimity will produce little or even no result at all in a union consisting of **25**, or even more **Member States**.

First pillar (the so-called community pillar)...

In **the** first pillar, the assertion is sometimes being heard that the member states have had to abandon far too much power **of** decision. some hold majority decisions responsible for the loss of sovereignty. Others argue that the competences of the union should **be** defined once and for **all**. still **hold** others subsidiarity to be but a one-way traffic, i.e. from top to bottom. Each of those three defence mechanisms leads us astray, though.

First of all, the misguidance of unanimity. It should be stressed : in a union consisting of 25 or **30** Members, every decision **which** requires unanimity, will simply not be taken at all. A generalisation of the majority decisions in this pillar is the only effective way to provide efficiency. This raises the old question of the abuse of power, the wrongful minorisation and the violation of essential interests of individual Member states. the answer to this old question, however, is well-known. Without the **Commission**, majority decisions would be impossible ; it is the keeper of the Treaties and the guarantee against any abuse of power ; that is why it should **remain** a political body'. In addition the role of the European parliament will have to be enhanced and it will become easier to abandon the diplomatic

method according to which, each sovereign state carries the same weight.

The second misguidance is constituted by a once-only delineation of powers. This would affect the dynamic and evolutive character of the integration process. 'casting' the first pillar in a once-only, rigorous definition, of competences would all too soon result in paralysing the community. For if the need for a deepened, integrated cooperation reveals itself in a new sector or area, it should be possible to apply the community method to it as well. Article 235 of even new treaties are not to be excluded a priori. If not, the only way out would be the intergovernmental method and we are all aware of the consequences this might have.

A tendency is already apparent in the external trade policy of the Community. In my view, outdated beliefs as to the particular nature of intellectual rights, of rights of ownership, or of assistance, contrary to the trade in goods - make it ever more difficult to resort to article 113 and therefore to the use of the qualified majority. In this way, the power of the Community and of the Commission and their status as a true trade partner are being subverted.

the third misguidance is constituted by one-sided subsidiarity.

The internal market will not function adequately without the convergence approach. The treaty revision should therefore involve the collaries of the internal market - internal the tax and environmental policy - more closely in the community framework and thus make it possible to take decisions by a qualified majority. In addition, it may be examined whether, within the European union there is room for starting the harmonisation of social security and for further agreements as to the financing. The saying 'In for a penny; in for a pound' may also be applied to the internal market. This does not only hold true for the social, tax and environmental corollaries

It even more applies to the Monetary union. The main 'realisation of the Maastricht treaty in this ,first pilar has undoubtedly been the development of the EMU. As I have pointed out earlier, this construction has brought about a dynamics as to management of the economic, financial and social aspects of our society, from which all our governments have drawn a new strength and new stimuli. Nothing which has occurred since the implementation of the Treaty on European union, or in the past weeks, has shown the need for or even the use of adjusting those provisions of the Maastricht treaty or the criteria which have been laid down. Besides the technical preparations, the political determination will be required to develop the EMU and the resulting single currency. Without the EMU, our economic integration will still be reversible, and therefore fragile.

Second pillar. (Common Foreign and security policy (CFSP))

Nobody questions the imperative need to turn the CFSP into a credible, and 'effective' policy. In this area as well, the European construction, in our view, holds a political finality: the development of a political structure, which may combine the contributions of the Member States and which thus is capable of taking autonomous actions on the world level.

Already in Maastricht, this concern has led to the adjudgement, to the Commission, of the right of initiative which is 'shared with the Member States, and to the introduction of a community financing mechanism with a view to the so-called 'joint actions'. In this way, the transition from the first to the second pillar has been bridged. This arrangement however has not produced the desired results, accordingly feeding the frustration as to the gap between the economic weight of the Union and its (slight) political influence.

In order to provide the Common Foreign and Security policy with a greater strength, a kind of 'Centre d'impulsions' should be created within the second pillar. In this respect, Belgium

prefers an optimum use of the right of initiative of the Commission. Should this prove to be (inadequate, it might be suggested to reinforce and to activate the existing Secretariat of the council, possibly led by a prominent political person having a right of initiative and provided cooperation stipulations with the Commission are being elaborated.

Even though the qualified majority has been written as a restricted decision provision in the treaty on European Union (namely within the scope of the joint actions), consensus is the rule, to which up to now there have been no exceptions in practice. Belgium advocates the extension of the possibility to take decisions by a qualified majority. Experience shows that there are all kinds of ways to make it impossible for majority decisions to prejudice essential interests. We should learn from this experience.

The implementation of the CFSP should and may be improved. In this respect, Belgium has submitted proposals to the partners, aimed at reinforcing the presidency and at providing it with the necessary means. The Presidency or the Troika might for instance be empowered to resort to experts from other Member States and the Commission, or seek the assistance of Member States not being part of the Troika, for the duration of its term and for a particular task. Further, the Council might decide, at the request of the presidency, to appoint a prominent politician who, under the authority of the presidency, provides the continuity of the implementation of the decisions which have been taken and is given the required administrative support to do so. All this makes it possible to remedy the flaws of the rotating presidency in a way which is as effective as longer presidencies, when, in case of there being for instance 21 Member States, each country would indeed only assume the presidency once or twice in a century.

the community financing of the CFSP should be generalised. The provision that the European Parliament annually adopts the CFSP

budget, should be written in the Treaty. In this respect, the provision may be added that the use of the budgetary means approved by Parliament is decided on by a qualified majority in the Council.

Common European Defence Policy (CEDP)

In order to flesh out the Common Defence Policy, opportunities provided by the so-called CJTF should be fully used. Those combined 'Joint Task Forces' make it possible to put NATO means at the disposal of the West European Union (WEU) for a limited duration, and for certain tasks. Whereas the NATO defence structure used to be rather rigorous, in order to be able to cope with a mass attack from the East this has now given way to a number of disparate risks. The mass and concentrated deployment of troops will now largely have to be replaced by mobile and rapidly adjustable task forces. The concrete elaboration of the 'combined Joint Task Forces' will be an important test case for the success of the European defence identity. We however deplore that the negotiations in this respect have not yet made a lot of headway. Each country will have to summon the political courage to make this concept work as fast as possible and by the end of this year at the latest.

The European Defence Policy has (virtually) been written in the Maastricht Treaty, which provides that the European Union 'requests' the 'West European Union' to elaborate and to implement the decisions, and measures of the Union having military implications. This 'logic must be pursued, even more so as I am not in favour of developing a fully-fledged European structure, next to the European Union. In that way, the WEU must be involved in the so-called joint actions of the union, whereas the community financing of the WEU operations which have been decided on accordingly, should be possible. In the administrative field, the secretariats of the CFSP and of the WEU would be able to cooperate more intensely and even a

possible merger is not to be excluded in the long term. Further, I think the participation of the secretary-general of the WEU in the CFSP consultations would be desirable, whereas the so-called harmonisation of the presidency which means the simultaneous exercise of the EU and the WEU presidency by the same country, should also be pursued.

This rapprochement between the EU and the WEU does not imply that the national sovereignty of the Member States in the area of defence and the principle of unanimity which goes with it, are being affected. Neither does it mean that each Member State would be obliged to supply troops for joint WEU operations which will always have to be manned on a voluntary basis.

Third pillar (Internal Affairs, Justice)

My argument in favour of a gradual community approach as to the second pillar applies even more to the third pillar.

This pillar pertains to the citizenship, to aspects of social security and to the free movement of persons or the unhindered crossing of borders which hold a great importance to our citizens. Those elements appeal to all of us much more than the harmonisation of the norms regarding pressure vessels (however necessary this may be for the internal market) or the question whether the humanitarian flights to Somalia should be paid out of the Community budget or through national contributions.

This policy of cooperation as to Justice and Internal Affairs still too cautiously tries out the potential of enhanced cooperation. The importance and the urgency of the problems to be dealt with, though, require a fast approach, efficiency; close cooperation and a democratic institutional framework. It therefore can only be deplored that problems as to the institutions, which mainly conceal ideological discrepancies, slow down the development of an effective cooperation.

In the short term, much headway may however be made as to Europol, with institutional provisions which, for forty years now, have made the proper functioning of the Community possible, and as to asylum and immigration on the basis of article:100/C of the Treaty.

I would like to plead here once more for the full implementation of the Maastricht treaty, for the uncomplicated exercise of the competences of the Commission for the pragmatic reinforcement of the Secretariat of the Council and for an injection of the tried and tested methods on the basis of the qualified majority. I would like to reinforce my plea by pointing out that it is of the utmost importance for this third pillar to be functioning satisfactorily, even after the next enlargement. We must not throw dust in our eyes: the development of crime in some of the countries wishing to join the Union, may raise lots of problems. We therefore must make sure to develop, over the coming years, a critical mass of "acquis-communautaire" in this third pillar.

Differentiation

As I have already pointed out, efforts will have to be made at the Intergovernmental Conference to initiate qualitative steps in order to guarantee, insofar as possible, the deepening and the integration dynamics.

However, we must ask ourselves whether it is that self-evident for all of us to continue our enterprise within the same framework, with the same intensity and at the same pace. The Schengen agreement is an example of a cooperation which started outside the Treaty and which is developing around a limited number of Member States and on a purely intergovernmental basis.

The EMU agreement, on the contrary, was concluded within the scope of the Maastricht treaty, and therefore within the present institutional framework, but applies a differentiated approach. The method, though, provided a number of useful fundamental

rules to prevent this differentiation from becoming an instrument for disintegration or decomposition. It indeed makes it possible for the partners, eventually to find 'themselves on the same wavelength, but at a different pace.

This differentiation method is first of all a 'solution of last resort', the ultimate expedient, to be applied when some member states do not wish to participate or are not able to do so. It can never be a goal in itself.

Further, it is very important to clearly provide for possibilities to catch up with the others who have gone ahead. Differentiation must not become a rejection mechanism. On the contrary, it should rather induce a kind of propulsive effect. What we have in mind in other words, is on the one hand, that countries which are not able to follow the movement or do not want to do so, cannot impede or stop the process. On the other hand, that those acting pioneers do not reject the others..

For all those reasons, it would be desirable that the key to the motor which should be the driving force of the various speeds, be held by the Commission,; if the Commission proposes a differentiated approach, this may be decided by a qualified majority.

The differentiation process will result in the development of various sector-linked groups in the lead. A number of countries thus will have the ambition to be part of all groups in the lead and, in so doing, make up a virtual hard core, a 'noyau dur'. It has sometimes been suggested to set up a system attributing some formal legal status to this core, indicating its essential policy areas (monetary policy, foreign policy, defence, police, etc.) and providing an institutional control and a proper room to manoeuvre, which are based on a Community or nearly community method. Such a suggestion to attain a European nucleus most certainly merits particular attention. In assessing this, it

will however be necessary to take into account the risk that a wedge might be driven between the 'hard core' and the other Member States, which may bring about rejection phenomena rather than attraction effects.

The multi-speed differentiated approach may provide an answer for the problems surrounding the future enlargement, which will differ a great deal from the previous ones. Indeed, the former enlargements have always taken place on the basis of the adoption by the whole Members of the entire 'acquis communautaire' in the existing institutional framework. This will certainly not be the case for the new applicants: from Central and East Europe. In this respect, we are faced with a dilemma which should be underestimated. On the one hand, it is not possible to blindly extrapolate the existing 'acquis' to East Europe, and this would amongst other things result in the doubling of the agricultural and structural expenses. But, on the other hand, an adjustment of the 'acquis' might rapidly produce watering-down and weakening, which should be prevented at all costs.

In order to meet this difficulty, the traditional approach of laying down a fixed and latest possible date by which the adjustment of the 'acquis' should be achieved, may be replaced by thresholds meeting a number of general, objective and clear conditions and criteria. According to these, applicant countries must know exactly which norms and objectives they must comply with and they themselves may decide individually on the timing and the pace they will adopt for pursuing the necessary reforms and adjustments.

Mister, Rectum Ladies and Gentlemen,

The intergovernmental Conference will have a lot on its plate.

It is certain the 'European Union, in the near future, will be enlarged once more. It is less evident, though it is our dearest wish, that the welcoming culture will have the necessary...

resilience to go on meeting the objectives of the Union and tackling effectively the new challenges of the era. In my brief talk, I have tried to expound some tentative ideas which should lead to deepening the integration.

But why are we here so keen on reinforcing the integration process ? Because we believe in a social structure which appeals to the people and which meets broad expectations.

The former president of the Commission, Jacques Delors, used to say : On ne tombe pas amoureux d'un grand marche. The project we are trying to bring about should exceed the restrictions of the neoliberal economy. We do not question here the free market, nor the deregulation wave characterising the recent evolution of all Western economies, nor the need for preserving the competitiveness of our companies. It is clear however that the market can not settle all problems our society is faced with. It does not guarantee a lasting protection of our environment. It does not ensure the minimum of social justice needed for the stability and the development of our society. The mere application of the market rules to cultural products would jeopardise the diversity of our cultures. This and other shortcomings constitute widespread concerns in Europe and certainly in Belgium.

In order to provide remedies against the ailments of the free market, but also with a view to meeting the aspirations for a stable and safe society, we should have a strong, efficient and coherent Europe, - either because the problems can only be dealt with on a continental level, which would require decisions on that level - or because they require a planetary approach, in which case Europe must be solidary enough so as to make itself heard and to preserve its interests.

The public opinion, however, will back up our efforts, as the European project will be credible, perceptible and intelligible. The population should be able to identify with a European ambition and should feel concerned by its development.

That is why I think it is of the utmost importance for parliament, the social partners and the civil society to be fully consulted before and during the negotiation process and, for special efforts to be made, in order to provide adequate information. Their participation and motivation in favour of a strong, Europe will add force and credibility to our arguments. The estrangement tendencies which arose here and there as to the Maastricht treaty and regarding the complex nature of the European institutions will be adjusted and grow into, and allow me to paraphrase Delors in this respect a new passion for Europe, ..
