Speech by Mr Alexandr Vondra, Deputy Prime Minister of the Czech Republic for European Affairs, to the Constitutional Affairs Committee, European Parliament, Brussels, 7 June 2007

Dear Mr Chairman, Members of the European Parliament, Ladies and Gentlemen,

Let me start my brief address by expressing my thanks to Mr Jo Leinen, MEP, for inviting me to this meeting and to all of you for coming today. Today, I would like to ask you not only for your attention but also for openness of your minds while listening to my short speech, that - I hope - will be followed by a keen and constructive debate, in which I will be delighted to take part. I know that many of you personally contributed to the current European debate and I certainly appreciate your voices in it.

Ladies and gentlemen, let me share with you some of the views and positions of the Czech Government on the Treaty establishing the Constitution for Europe. Yet more importantly, I would like to set these positions within a larger context of the Czech attitudes towards the visions of the European Union of the 21^{st} century - a Union that continues, in the words of the Laeken Declaration, to be a success story. Or, to "Europeanise" a famous quote by Mahatma Gandhi, *a*

European Union that would continue to "be the change it wants to see in the world".

. . .

The Czech Government perceives the European Union not only as a community of interests and shared values, but also as an integration grouping based on an ever-evolving legal framework. This legal framework requires a change as the increasing number of EU Member States require an efficient organization, and as a mounting global competition require an effective and competitive EU. The 2001 Laeken European Council concluded – and I cannot but underline that rightly so – that the Treaty of Nice is not enough to guarantee effective and democratic functioning of an enlarged European Union. What is needed and what the Czech Republic will fully support is a Europe of equality and democracy, a Europe cherishing and living transparency and subsidiarity, a Europe that is as liberal and open within its borders as it is stabilising and committed on the global scale. And also – we need to reconnect European elites with our people, too.

The Treaty establishing a Constitution for Europe, which we are here to discuss today, ladies and gentlemen, is a document of international law seeking to become a comprehensive successor treaty to the treaties in power now. The Treaty was drafted in answer to the

questions asked in the Laeken Declaration with the aim of enabling effective, transparent and democratic functioning of the enlarged European Union.

Following the rejection of the Treaty establishing a Constitution for Europe in the Netherlands and France, which makes the original text of the Treaty, with due respect, unfit for the EU of today, respective Member States have been seeking alternative ways to meet the Laeken requirements. I am happy to point out that Germany, holding the EU Council Presidency in the first half of 2007, took a leading role in this process. The German Presidency will shortly be presenting a report to the European Council based on extensive debates and consultations with the Member States on this topic. This report is expected to assess the state of the Constitutional Treaty discussion while exploring some future developments. And it will be on the basis of this report that further decisions by the European Council on how to continue with the reform process will be made.

The Czech Government does hold in high regard the endeavours of the German Presidency to revive the debate on the institutional reform of the European Union. Now, all of us, ladies and gentlemen, with no doubt believe that it is in the best interest of the Union to present an outcome acceptable to <u>all</u> of the Member States while, true to the spirit of the Berlin Declaration, -- quote -- *placing the European Union on a renewed common basis* – unquote. And I can only assure

you that the Czech Republic is keen to do its utmost to help concluding this process before 2009 in a constructive manner.

The Government of the Czech Republic has taken an active role and I believe I will be right by saying that it has also become a responsible participant in the debates on the EU institutional reform launched under the German Presidency. The Czech government coalition maintains that further discussions should be based on the current draft of the Treaty on the Constitution for Europe, a large part of which is just a consolidation of the existing EU treaty framework. However, my government continues to point out that the new, amended treaty must bring more transparency, clarity and simplicity. Instead of dividing Europe – like a previous attempt, it shall unite it. And, in the words of the Berlin Declaration, unite it – I quote – *for the better*.

In this respect, we believe we must insist upon the necessity of removal of all attributes of "European statehood" such as the term "constitution" in any form of its use; the confirmation of quasi-state symbols of the Union; the term EU "Foreign Minister" etc. In other words, all misleading attributes which may give a false impression of the treaty leading to an establishment of a super-state structure, shall be dropped from the Treaty. Ladies and gentlemen, I am sure that many of you in this room would agree that the Union is not in a crisis. There is no crisis and it is more than clear from everyday life of the Union.. The 2004 enlargement has not caused any slow-down in the Union's work. There is enough evidence to prove it. Your presence here and your daily business prove it. And indeed any institutional reform steps must take into consideration the quality of future EU functions.

The Berlin Declaration states that the European Union is "founded on equal rights and mutually supportive cooperation." Fully in accordance with the Declaration, the Czech Government shall request that the future EU treaty will guarantee fair treatment of <u>all</u> EU Member States irrespective of their size or length of membership. The new treaty must not aggravate the current institutional position or voting weight of countries of similar size as the Czech Republic in the EU decision making process. And last but not least the EU's democratic legitimacy shall rest upon the balanced proportion between the representations of citizens <u>and</u> states.

The Government of the Czech Republic puts a strong emphasis on the transparency of the EU decision- and law-making processes. These processes shall be more clear and more open to a real control by national governments and parliaments of Member States. Bureaucracy and red tape shall be cut down and reduced to the minimum. In this respect, my country is a strong champion of a consistent and more

extensive use of the subsidiarity principle. The Union should act only where objectives cannot be achieved at the national, regional or local government levels.

According to the principle of subsidiarity, it should be possible to initiate a transfer of the exercise of a certain competence back to the Member State level when the exercise of competence at the Union level proves to be ineffective. This principle is already set under Article I-12 of the existing Treaty on the Constitution for Europe. Furthermore, this principle is also referred to in the Laeken Declaration, which stipulates that better division of competencies can lead both to – and I quote – *assigning new missions to the Union* – but also *to restoring tasks to the Member States* – unquote.

Nevertheless, a mechanism which would allow reviewing the exercise of competence at the Union level is still waiting for its legal definition. In the same vein, we need to define a procedure, that would be valid in a case when the EU considers ceasing execution of its competence in a specific area. The EU has reformed constantly throughout its history - indeed its founding principle of 'ever closer union' implies continuing reform. The problem is that the 'reform' has often gone in the wrong direction - more 'competences', more regulation, more costs. The question is, can we turn this around to make sensible reforms that move powers back closer to the people and their democratic structures?

We should be able to always look for best practices in the EU, yet at the same time we should not be afraid of innovative solutions. And the Czech Government is inspired, ladies and gentlemen, by Germany for that matter. Germany has – in its own constitution – a promising mechanism for repatriation competencies from the federal level to the level of lands. We think this mechanism could be adapted to the European level.

We propose to give a serious thought to the Czech concept of "twoway flexibility". It aims at defining the role of the Member States and national parliaments. The Czech proposal of a two-way transfer-ofpower would certainly boost the Union's credibility in the eyes of its citizens. I can assure you ladies and gentlemen: this is <u>not</u> a plot to dismantle the Union. The opposite is true: this is to make the Union more transparent and accountable according to the principles of subsidiarity and proportionality. It is also in line with the "better regulation" initiative of the Commission's President, Mr. Barroso. I can explain the principle of our proposal in the following debate, if you will.

The objective of the Government of the Czech Republic is to encourage internal and external openness of the Union and the new treaty should also entail these principles. Internally, the single market building process must be completed through consistent adherence to

the four fundamental freedoms. Externally, barriers to trade with third countries must be removed within the WTO framework, particularly with the view of developing relations with less-developed states. The Union's institutions shall, on the basis of a new treaty, be ready to accept new Member States. At the same time, it shall have mechanisms, which would allow the Union to play a stabilisation role – especially in its closest neighbourhood, and to play this role with as much credibility and effectiveness as possible.

Dear, ladies and gentlemen, it is in the general interest of us to have a European Union whose decision-making is more effective and whose day-to-day business is conducted in an economic and efficient way. The Czech Republic is committed to translating this ambition into reality and work constructively with the other nations of Europe We want a Union of *equality*, a Union whose Members will be enjoying equal rights, irrespective of the size of the state or length of the membership.

We want a Union of *true democracy*, a Union whose democratic legitimacy is built on a balanced proportion between the representation of the population and the states. We want a Union that is *transparent*, and not stooping under the burdens of red tape.

We want a Union whose structures and decision- and law-making processes are clear to, and controllable by the people <u>and</u> the

governments of Member States. We want a Union of *subsidiarity* respecting the powers and trusting the competence of states, regions and local communities. We want a Union that is *liberal* within and without, *open* to other states, and *stabilising* for its immediate neighbourhood.

The steps of the Government of the Czech Republic in negotiating the new EU treaty framework will be determined by a fact whether the final document brings a substantial and tangible material improvement of the working of the Union within and without. It will also reflect a question whether such a treaty ensures that the Union does not unnecessarily interfere with Member States' competencies in areas where EU common goals might be achieved at a lower level.

Unlike the draft constitutional treaty, negotiations of the new treaty must not fall pray to ambitions which are removed from European reality. The Czech Government approaches the discussions with a sense of shared responsibility for the future of Europe and with a deep belief that, in the words of the Berlin Declaration, *we must protect the success of European integration for the good of future generations*.

Ladies and gentlemen, we cannot afford another failure on the jurney to this shared objective.