



preparing for
complexity

European Parliament in 2025

Going global, going local, going digital

Final report by the Secretary-General

9 April 2013

This report by the Secretary-General of the European Parliament was presented at the 'Bureau Away-Day' chaired by the President of the European Parliament on 9 April 2013.

EDITOR:

Klaus Welle

The Secretary-General

European Parliament

B-1047 Brussels

E-mail: klaus.welle@ep.europa.eu

ADMINISTRATOR RESPONSIBLE FOR THE EP 2025 PROCESS:

Franck Debié

Team Leader EP 2025 Long Term Trends

Cabinet of the Secretary General

European Parliament

B-1047 Brussels

E-mail: franckrene.debie@ep.europa.eu

LINGUISTIC VERSIONS:

Original: EN

REF. NUMBER:

PE508.814

Manuscript completed in April 2013

Brussels, © European Parliament, 2013

DISCLAIMER

Reproduction and translation for non-commercial purposes are authorized, provided the source is acknowledged and the publisher is given prior notice and sent a copy.

PREPARING for COMPLEXITY

The European Parliament in 2025

Going global, going local, going digital

- Final report by Klaus Welle, Secretary-General of the European Parliament
to the Bureau of the European Parliament -

The present synthesis presented to the President and the Bureau is the result of an unprecedented collective brain-storming exercise involving all DGs of the European Parliament. Its aim was to identify structural changes to be initiated in order to prepare the European Parliament for a much more complex and challenging environment in the years to come.

I. PROCESS

A first draft report drew on analyses of mega-trends from academic literature.

The methodology followed was to compile central elements of theory from various disciplines (international relations, political sciences, social sciences, technology) concerning key long-term trends identified as relevant in the EP context. Academic works selected were among the most read and most frequently quoted ones. Those sources were completed by recent empirical analyses or opinions from think tanks, research bodies, expert groups or the media.

This first draft report was discussed in the away-day of directors and directors general in September 2011. The different DGs then had the opportunity to raise their own questions about the complexity ahead of us and the way to prepare for it. As a result, a list of 130 questions was drawn up and circulated together with the report.

The first draft report and the resulting questions were presented to the President, the Bureau and the Quaestors of the European Parliament on 27 January 2012¹, who supported the Secretary-General's initiative. They shared the first conclusions, which outlined the growing complexity resulting from a more multi-polar world where governance is more and more a multi-level one, involving multiple actors in decision making and implementation. The multiple technologies becoming available are accelerating those changes.

All DGs of the Secretariat were then asked to bring together their own answers to the question list approved by the Bureau, not only in their field of expertise but also on all other issues which they wished to address.

Brainstorming in the DGs started in the second half of 2012, with answers gathered throughout every DG after internal meetings and consultations. A large number of relevant units were able to participate in the process. All these answers were compiled in consolidated documents at DG level and brought together².

¹ *The European Parliament 2025: Preparing for Complexity*, Brussels, European Parliament, January 2012 (PE479.851/BUR)

² *Preparing for Complexity. The European Parliament in 2025. Contributions of the Directorates-General by question*, December 2012 (internal draft document)

Further consolidation took place in the cabinet of the Secretary-General to produce a second draft report deriving the best from DG contributions. This second draft report was submitted and discussed at the away-day of the directors and directors-generals in Bruges in January 2013 and revised after debates³.

II. MAIN FINDINGS

The first factor identified by the preliminary report is the rise of a multi-polar world. This is no surprise. We know that additional actors are coming up into the international system. What we are not yet sure is around which poles they will gravitate. We are not sure if there will be cooperation, competition or confrontation between the poles. We know that demands towards a multi-polar level of governance may be on the rise. But the process may just widen the gap between global citizens' expectations and the different global fora trying to bring the different poles to act together⁴.

1. To be or not to be a pole

The question that we have to ask ourselves as Europeans in this context of uncertainty is: 'what do we have to do in this new context if we want to be a 'pole' in our own right?

Why is it important for the Europeans that their Union is seen as a pole on the global level?

- Because Europeans want to keep control of their destiny. They do not want to become (again) objects of history. The transatlantic relationship - although always essential and still very strong, is no longer enough in a multi-polar setting. It is compulsory to extend coalition building beyond the pivotal US/EU relation.
- Because no individual Member State in the Union has enough leverage to decisively contribute to shape global trade, global standards and global markets to the best of Europeans' interests. Yet those issues are vital to all Europeans as they are the drivers of growth.
- Because international markets do not self-regulate. Recovery packages, financial rules, technical standards are all being shaped by negotiations. Economic negotiations are expanding with new executive forums, such as the G20. They touch upon a larger number of issues. Many of them are traditionally in the remit of legislators and regulators. Bilateral trade negotiations grow exponentially. In those many negotiations, it is a common interest that the European Union punches its weight and defends what it stands for⁵.

³ *Preparing for Complexity. The European Parliament in 2025. The Answers*. January 2013 (internal draft document)

⁴ European Strategy and Policy Analysis System, *Citizens in an Interconnected and Polycentric World, Global Trends 2030*, Paris, EUISS, 2012

⁵ Michael Emerson, Rosa Balfour, Tim Corthaut, Jan Wouters, Piotr Maciej Kaczynski, Thomans Renard, *Upgrading the EU's Role as Global Actor*, Bruxelles, Centre for European Policy Studies, 2011

2. Addressing the blind spots

But having a 'common position' and sustaining 'common values' will not be sufficient for the European Union to be considered a global actor. If the European Union is to be a pole in the global system, it needs a capacity to deliver more or less in line with the capacity of other large continent-wide political entities.

What is the value added of those large political entities for global relations? They are able to implement and enforce commitments made to third parties over vast territories. They are able to pool together significant resources at central level in order to face unexpected circumstances. Towards third countries, they are able to provide aid, but also to take sanctions. Usually, they have fully-fledged monetary institutions. This is how large continent wide entities reduce the complexity of the global economy.

If we wish the European Union to be a pole in the global political system, some blind spots remaining in its institutional building will have to be addressed. They have recently started to be so in the field of the Economic and Monetary Union with the creation of rescue funds and robust backstops as well as with the commitment to a new Fiscal Compact and the launching of a common banking supervision.

Taxation, energy, security and defence policies will also require updates. Whether or not those further upgrades are made below the level of Treaty changes, they are likely to be constitutional in nature at the end. This is why the European Parliament will have to fully participate to the process, as early and decisively as possible.

3. Towards more multilevel governance

The second undeniable factor is that we are now entering deeper into a multilevel system of governance.

Over the past decades the nation state has not only given power to the European Union but in many of our countries it has also devolved powers to the regions. That is true for most of the EU countries.

On the other hand the current and ongoing economic crisis has clearly shown that even the European level itself cannot anymore serve as appropriate level for certain key political decisions which are now being taken in executive forums like the G8 or the G20.

The dangerous combination of a financial crisis with a sovereign debt crisis in Europe has accelerated the move towards more multilevel governance. Issues that used to be discussed only at national level are 'elevated' at the European level. Conditionality has been increased with the creation of new instruments. If Member States want to benefit from common rescue packages, they have to deliver better on fiscal consolidation and competitiveness reforms. National Parliaments are of course eager to be associated with these debates and with the decisions that may result from them. The European Parliament itself, when it scrutinizes the European executive, wishes to have its say on these executive demands concerning, for instance, structural reforms.

This means that the necessity for more and better coordination between more partners has increased. We have to manage different levels of decision-making: the national level, the European level, the global level but also the regional or even local level.

4. Multi-player system

A third element to be taken into account when preparing for the future is the new actors entering the scene. We are faced with a change towards multi-actor policy making, where not only states are interacting.

NGOs, private companies, grass-root organisations, sometimes individuals are introducing their ideas and positions ever more intensively. "Policy networks" go more global, knowledge-based and volatile. They are turning from clubs to hubs. This is why traditional institutional consultation mechanisms - as the one organised by the Commission - partly fail to capture their rich potential input. Finding a balanced way for the European Parliament to effectively and fairly handle policy input from a growing multitude of actors without losing sight of its own goals constitutes a challenge for the near future.

Citizens do not only wish to be better informed. They wish to investigate by themselves. They are eager to express and share their views. They expect to be consulted and to actually participate in decisions. They wish to see that their voice and their vote actually matters. This evolution puts the traditional representative system under stress.

5. New 'business model' for the European Union

These demands from citizens to gain a better grip on European decisions have been exacerbated by the crisis. The crisis has changed the European Union in a dramatic way, although not by constitutional amendment. It has established *de facto* a new business model for the EU.

In the old business model of the European Union the Institutions decided on important issues, yet the citizens still perceived these decisions as basically the actions of the Member States, when and as they were implemented. And these decisions were felt through cumulative effect over time. The impact of European decisions was more strongly felt by rather narrow clusters of the public opinion: farmers, fishermen, students on exchange programmes...

What has changed with the crisis is that citizens are now much more aware that what is being decided on the European level is touching the heart of their own social and economic living conditions - directly and immediately. This is clear in States like Greece, Cyprus or Portugal. It is also clear in States like Germany, Austria or the Netherlands. There the citizens have understood the interdependence within the European Union: decisions concerning even a smaller Member State have direct consequences on their own savings and future prospects.

The European Union's business model has thus changed from low interventionist to highly interventionist. This is why the (mainly executive) decisions taken between national governments, the European Commission and the financial institutions in Brussels are questioned and debated by

all kinds of citizens, medias, grass-root or net-root movements that were not interested before in the actions of the European Union.

'They are questioning the legitimacy. They wish to know what will be the likely impact of decisions taken. Who decides, on which basis, and under which type of democratic control? They don't only require transparency. They ask for content, background information, independent assessment. They turn to the Members of the European Parliament for analysis and intervention, when they know them. They are likely to make full use of newly established citizens' initiative to channel their concerns.

This new democratic tide in the field of European affairs has different sets of consequences

The first one is of a quasi-constitutional nature. If the European Union intervenes into the heart of the social and economic living conditions through measures taken on European level, it must be accompanied by an equally increased degree of democratic 'legitimation' on European level. And this 'legitimation' can only be achieved by the European Parliament as democratically elected body and by means of intensified democratic scrutiny on executive decisions.

Citizens should be granted with different policy options and a capacity to directly change the general direction of European policies. This can only be achieved by a change in European elections and, to start with, a political debate between lead candidates competing for the seat of President of the European Commission.

Members and the Parliament as an institution will be also affected significantly by the growing demand for content, debates and presence of Members in constituencies. There, they can act as ambassadors -even if critical ones - of the European level.

6. Multi-tech accelerator

Yet it is not enough to describe our system and its dynamics only as multi-polar, multi-level and multi-actor. It can easily be observed that the speed of development is much higher than it had been in the past. It is accelerated by technological change, by innovation which in itself is affecting simultaneously very different domains. This constitutes the fourth factor the European Parliament has to recognize and deal with: A 'multi-tech accelerator'.

The described converging expectations for a democratic revival happen during a time when the traditional partners of democracy - the media, the world of culture, the education system and public institutions in general - experience a major disruption of their traditional business models due to the revolution in the knowledge economy⁶. Producers of content more and more face the competition of cheap free content. Established distributors of content - such as journalists, experts, academics - face the competition of free-lancers and easy direct access to the global open data. From having been merely connected, the knowledge economy turns to hyper-connectivity⁷ that encourages

⁶ *Proceedings of the second ESPAS International Conference*, Inter-institutional Working Group II: "The Future of European Society in the Digital Age". February 2013

⁷ Erik Brynjolfsson and Andrew McAfee, *Race against the Machine. How the Digital Revolution is accelerating Innovation, driving Productivity, and irreversibly transforming Employment and the Economy*. Cambridge (Mass) : MIT Press, 2012

people to directly provide, upload and access content and services. They tend to cut-out traditional middlemen and simplify intermediation. The monopoly of information evaporates⁸. Individuals, institutions, companies are unable to fully control information provided on themselves. They are challenged to disclose more to prevent misunderstanding and disinformation.

Although it is not yet clear how these disruptions will affect the overall functioning of democracy in the future and the process of law-making with it, it is nevertheless certain that all public institutions will encounter a steady pressure to derive the best from the new technologies⁹, to save and innovate at the same time, in order to provide more value for money.

III. WHAT DOES IT MEAN FOR US?

Given the speed of change and ensuing increase in complexity, the European Parliament does not have a decade to prepare for institutional or policy change. No responsible political actor, let alone a European institution of the scope and political role as the European Parliament, can allow itself to say that expected evolutions are to happen in two decades. The new situation makes it impossible to take one's time to carefully devise adequate ways to prepare for changes ahead. Change is happening in constant flow and in an accelerated manner. As a result, the context and the conditions for political competition and cooperation are being changed very swiftly.

Faced with the rising complexity of world affairs, with political multi-polarity, multi-level governance, technological evolution and the increase in the number of actors in public policies, the European Parliament needs to become more strategic, looking at long-term issues and incorporating contextual change as it happens in every aspect of the organisational culture and the organisational perspectives. It needs to become a **learning** organisation, permanently updating its structures, procedures, staffing, training and equipments.

So where are we in updating our own functioning to the emerging multi-polar, multi-level, multi-actor and multi-tech environment?

⁸ Daniel Ruskoff, *21st Century Technologies. Promises and Perils of a dynamic Future*, Paris, OECD, 2011

⁹ Mark Dean in *IBM Global Technology Outlook 2011* enumerated the most likely steps forward:

- a. Macro-integration in every organisation of *structured information* (produced by it under standardised formats and available in its institutional memories) and *unstructured information* (available to its members through constant not formatted flows coming from their social networks). This process will make it easier for the organisation to deal with the information wall, to swiftly identify changes in its environment and to decide when and why use crowd-sourcing to further deepen its knowledge and expertise. (Large organisations with weak institutional memory, no central knowledge management, and a non discriminated use of crowd-sourcing may just become over-whelmed by information and content/service providers);
- b. big data analytics;
- c. internet of things;
- d. Paradigm shift from calculators to learning systems.

IV. BEING THE PARLIAMENT FOR THE EUROPEAN POLE OF THE GLOBAL SYSTEM

It has been shown in the original study, that individual member states on their own whatever their size can not be equal players in the multi-polar world that is now emerging. Only together in the European Union can we have the necessary critical mass, as a Union of citizens and states. In order to be a viable partner globally the Union will nevertheless have to address its own weaknesses.

1. Surviving the debt crisis strengthened

The whole industrialized world is struggling with the debt crisis. Debt and deficit figures in the United States and Japan are no better, partly worse, than in Europe. Outside the eurozone, Britain is still struggling to reduce an eight per cent deficit and to contain a quickly rising public debt level.

Nevertheless it was the Eurozone which was confronted with an existential threat for its currency's future existence. When establishing the currency union, member states had given up their existing protection mechanisms, but for political reasons, did not provide the Union with similar instruments.

All of those blind spots have now to be addressed within the crisis - from a joint rescue fund to stricter rules on state deficits, macro-economic monitoring, and banking supervision and resolution. All of these reforms will lead to an much more economically integrated Europe - whether they are still run by intergovernmental mechanisms or already hand over decision-making capacity to a European federal actor, as in the case of banking supervision to the ECB.

Politically, the European Parliament has fully played its role, from (disregarded) early warnings in the last legislature, to ambitious changes in legislation and now securing a strong position scrutinizing European banking supervision, in this legislature.

Administratively, additional analytical support is already being provided through the creation of an Economic Governance Unit, including the build-up of **expertise for scrutiny on banking supervision**, and this will need to be further enlarged.

Organizationally, the President stimulated a debate about a **special committee on scrutiny for the Eurozone**, which has now been taken up constructively by all major actors and will allow us to settle the issue ahead of the next legislature.

The European Central Bank, as a strong and credible federal actor, effectively ended the 'existential' phase of the crisis and speculation about a possible break-up of the currency in summer 2012. Market participants have now come to the conclusion that the euro is here to stay and interest rates gone down to manageable levels.

2. Cost of Non-Europe

Without addressing the blank spots in the construction of the Eurozone, the European Union would have left its citizens impoverished, disappeared as a credible actor in the global arena, and ceased to be a pole in the multi-polar world. The underlying integration model of **'integration by catastrophe'** is nevertheless extremely costly and dangerous.

But are there alternatives? How to generate the necessary political support without having one's back against the wall?

During the Delors era, integration was secured by using the 'cost of Non-Europe' approach. The building-up of the internal market was underpinned by the Cecchini report proving the economic and financial advantages of completing a single market.

A non-ideological build-up of European capacity and Europe's establishment as a viable pole will therefore depend on the re-establishment of that method across policy sectors. It allows the Union to integrate those sectors where there are proven and important potential benefits from common action and to confront ideological resistance to that process. It is complementary to the subsidiarity method.

The Bureau decided in 2011 to set up a Directorate for Impact Assessment, including a unit for European Added Value and the cost of Non-Europe, with a view to identifying areas where there is an unrealised need for European-level action and providing content input to committees preparing legislative own-initiative reports.

We are therefore not only analysing and providing impact assessments on proposed legislation, but we are also analysing the impact of not having legislation in specific sectors. The concept of impact assessment has thus ceased to be only a potential break on legislative action, but now may equally speed it up.

It is vital that the European Commission, having the monopoly of legislative initiative, once again systematically uses the same approach. They need to be held to the commitments they made in the 2011 budget procedure to mainstream cost of non-Europe and European added value in their approach to policy.

3. Building efficient relations with key external partners

One of the most striking outcomes of the administrative consultation on the 'Preparing for Complexity' study is the severe criticism of how we currently organise our work in interparliamentary delegations. The main argument is a serious lack of focus, or in other words: we are entertaining the same intensity of relations with everybody, the purpose of which is not always clear. That raises important questions about our use of resources - not only money-wise, but also in terms of time and staffing capacity.

Our delegation structure is based on the following considerations:

- Legal commitments: Some delegation activity is based on treaties like the ACP assembly or delegations with accession countries and joint parliamentary committees based on international agreements. These are legal obligations and therefore beyond question.

- Regional integration: The European Union is representing the most developed model of regional integration. It has a natural interest in favouring its integration model and in assisting other regions in their own development.
- Democracy and human rights: these represent the core values of the European Union. Election observation is therefore an essential tool.
- Key global players: The Union has an interest in entertaining close relations with key global players like the United States, China, Russia, India and Brazil.
- Neighbourhood policy: Close contacts with our immediate neighbours are vital.
- Legislative files: More and more international contacts do not serve traditional foreign policy, but are relevant for legislative files, international agreements or trade files. This justifies the activities of committee delegations.

It thus appears that the underlying principles are sound and valid.

Nevertheless some important problems are obvious:

- We do not have objective principles to vary the intensity of the contact between **normal times of business and times of stress**;
- **Country experts and experts on relevant files** are not sufficiently brought together;
- Some delegations travelling are simply **too big** to still be effective;
- Delegation travel is increasingly criticized in public when too big and **costs exceed specific limits**.

Can we imagine a system that maintains regular contact in a resource-efficient way, but is flexible in times of special need? A system where specific country expertise is integrated into committee delegations and knowledge about relevant legislative files into standing delegations?

During normal times the following rules could apply:

- The Bureaux of the delegations travel once a year. They can invite two experts on specific files from relevant sectoral committees (not being Members of that delegation) to accompany them.
- Equally the Bureaux of parliamentary committees can travel once a year outside the European Union, accompanied by up to two relevant rapporteurs. They can invite two country experts from the relevant delegation to join them.

In times of special need, ad-hoc delegations can be established, on authorization of the Conference of Presidents based on a precise mission statement and followed up by a mission report.

The number of staff, all functionalities together, cannot exceed the number of Members travelling.

If the responsible organs were to decide so, rules could come into force at the beginning of the new legislature.

4. A European identity

The European Union will not be a viable pole in the multi-polar world without its citizens developing a proper European identity, complementing their local, regional and national identity formed over time.

The Treaties of the European Union provide its inhabitants with a proper citizenship, as well as fundamental rights. Those fundamental rights lay down a sense of European identity in law.

The Parliament has a long and proud history in underpinning that European identity, anchored in fundamental rights, by its own initiatives, like the Sakharov Prize, urgency resolutions or election observation missions. The recent decision of the Bureau to create a Directorate for Democracy Promotion sits firmly in that tradition.

The Parliamentarium does not limit itself to a technical description of Parliament's functioning, but explains the historical background of European integration, from the darkest hours of European history. With more than 250,000 visitors in the first year after opening it is already a major success.

The naming of Parliament's central courtyard after Simone Veil, the first President of the directly-elected European Parliament, who had been persecuted in Auschwitz, inscribes itself into the same logic, as does the Esplanade Solidarność 1980.

Further initiatives are in the process of being realised.

Construction work on the future House of European History is now well under way. Citizens will have the possibility to experience and reconstruct history not only as a national phenomenon, but also as common European history too. The House of European History will provide a unique venue and vantage-point of this kind.

The Bureau decided to undertake a profound renovation of the Jean Monnet House in Houjarray close to Paris, a facility owned by Parliament itself. The extension of its conference facilities will allow for the establishment of a Jean Monnet Academy for training purposes.

The Bureau will consider shortly a cooperation agreement with the Schirmeck regional museum in Alsace for visitor purposes.

V. THE EP in MULTILEVEL GOVERNANCE

The study on 'Preparing for Complexity' had as one of its main findings the increasing establishment and differentiation of a system of multi-level governance, **where the nation state looses competences and decision-making capacity both to the regional level and to the European and global levels.** That creates the need for effective cooperation between actors at those different levels.

The debt crisis has demonstrated now to everybody that we are **existentially interlinked**. What started off as a crisis of subprime mortgages in the United States quickly became our problem. Greek debt threatened to destabilize the whole European Union. The global level, the European level and the national level have become interdependent in a system of multi-level governance.

We are therefore forced to rethink all those relationships, just as the member states have had to do as well. They had to admit that they have duties towards the Union which cannot be escaped by reference to national sovereignty any more. They are responsible for the proper implementation of European legislation. They are responsible for sustainable economic and budgetary policies, in order to not endanger the community as a whole.

1. Impacting on global standard-setters

The European Union and the European Parliament are not only establishing rules, but are also on the receiving end of guidance and standards set by others. It must therefore be our interest to be properly informed and if possible impact on those.

In 2010, the Parliament opened an **office in Washington DC**. It serves principally to remain in contact with the US Congress, but has also proven its value to understand better the US Administration and regulatory agencies. We are becoming more and more aware that often the European Union and the United States are working on the same major issues at the same time, the complete overhaul of financial regulation just being the most prominent example.

An intensive legislators' dialogue, involving the draftsmen on both sides of the Atlantic, allows us to communicate our interests early and to avoid unnecessary conflict. The launch of negotiations on a Transatlantic Trade and Investment Partnership, focusing not only on classical trade issues, but regulatory issues as well, shows the urgent need to strongly involve the legislature in what has traditionally been thought to be a relationship primary for executives.

Washington also provides the opportunity to deepen our relationship with the Bretton Woods institutions, like the **World Bank** and especially the **IMF**. The latter is of increasing importance, given the IMF's key role in the bail-out programs of several of our member states.

After a promising start at the beginning of the global debt crisis, where it managed to set a global regulatory agenda, the **G20** seems to have finally missed its opportunity to become a body for operational politics. The EP is involved in its parliamentary component and should help to make it more relevant for the G20 process of Heads and State of Government. The OECD, playing an important preparatory role, is willing to provide us with early information.

2. Organising democracy on a continental scale

The Parliament has to organise democracy on a continental scale. 766 members from 27 countries representing more than 500 million European citizens, together with the Council of Ministers, establish the laws of the European Union.

But Directives still need to be transposed into national law, which needs the cooperation of national law-makers and can take years. The execution is happening anyhow under the authority of national executives. Implementing acts are passed by bodies of national experts. European legislation therefore can finally only be successful when close and faithful cooperation between the different levels of government within the Union is guaranteed.

The Parliament therefore has to reflect on **how to reach out systematically to the national and sub-national levels**.

The current 'intergovernmentalization' of EU politics risks to exclude both national parliaments and the European Parliament. It needs to be guaranteed that, where the decision is taken on national level, National Parliaments can effectively scrutinize their countries' representation in Council. Where the decision is taken on European level, the European Parliament is responsible. In this sense, National Parliaments and the European Parliament are natural partners.

The cooperation between **National Parliaments** and the European Parliament will have to be more and more based on committee-to-committee cooperation and collaboration between experts on specific files. Video conferences between the rapporteur and a national parliamentary committee that contributes to the reflection on subsidiarity should become standard practice for on-going legislative files.

The **Economic and Social Committee** and the **Committee of the Regions** are qualified as advisory bodies in the Lisbon Treaty. Their advisory role is directed towards the Council, the Commission and the Parliament. The cooperation in both administrative and political terms remains up to now largely formal and underdeveloped. Bureau and plenary have charged the joint working group of the Bureau and Budgets Committee to explore potential in inter-institutional cooperation especially in the field of translation. This could widen into further areas.

As recently shown in the comparative studies with National Parliaments and the US-Congress, both members of the European Parliament and the House of Representatives need to remain in contact with on average about 700,000 citizens. This contrasts to only 100,000 citizens for even the members of parliament in the biggest member states. A reflection will therefore need to be conducted on how to **support members better in their local activities**, through greater logistical support.

An efficient organisation of parliamentary work is crucial in this respect. The joint Bureau/Budgets Committee working group will shortly study more efficient ways to **schedule** the Parliament's work in order to identify savings.

In parallel, the Parliament's **external offices in the member states will have to intensify their cooperation** with key stakeholders.

3. A new 'business model' for the European Union

The debt crisis has changed the nature of the European Union **from 'low interventionist' to 'high interventionist'** in its interaction with the citizen. Whereas up to now, European decisions rarely changed citizens' lives immediately, citizens in 'programme' countries are now directly affected to the core of their economic and social living conditions. Citizens in those countries providing funds or guarantees feel directly concerned too.

They are therefore expecting increasingly to have a real choice about the direction of European politics. The de facto constitutional change which has occurred in the crisis - moving major decisions from the national to the European level - **puts questions of democratic legitimacy, expertise and scrutiny for all institutions right back at the heart of the political debate.**

Democratic Legitimacy

The Conference of Presidents has asked the Constitutional Affairs Committee to come up with a report on **European electoral law**. It is still possible in some member states to propose the names for European parliamentary candidates just a few weeks before the elections and without any due and transparent political process for their nomination. The European political party to which the national party belongs does not even appear on the ballot paper, thus giving the impression of this being just another national election. Additionally, voting closes at 22.00 hours on Sunday, avoiding any meaningful joint election evening going beyond the first national results.

The Parliament has invested heavily into the **development of European political parties**, through funds from its own budget and regular updating of the relevant regulation. This will now allow, for the first time, for there to be **lead candidates for the office of Commission President** in all major European political parties, thus giving the citizens a real choice about who should take the lead of the executive which enjoys the monopoly on legislative initiative.

That Commission President will be proposed by the European Council, after consultation of the European Parliament, and taking into account the outcome of the European elections. He has to be elected by the European Parliament.

It will only be natural to ask for an **agreement between the candidate and the parliamentary majority on key political and legislative dossiers** to be carried forward in the years to come, as happens at the national level as well.

The Council has become effectively the other legislative chamber in the European Union, representing the member states. **National Parliaments** will almost certainly wish to develop stronger **quality standards for controlling their own executive** when legislating on the European level.

Expertise

The Parliament cannot simply rely on the expertise provided by the European Commission. It has to establish its own independent view on legislation being proposed, in order to be able to judge

whether to endorse or to amend the proposed texts. It therefore needs to be supported by its own independent research or 'scientific' service. The Bureau in the Budget proposal for 2014 is already envisaging the development of the current Library into a more comprehensive **Parliamentary Research Service for Members**, screening the full range of existing expertise and developing deeper research capacity, and making it available to Members.

Scrutiny

When decisions having a major impact on people's daily economic and social living conditions are taken at European level, democratic scrutiny of those decisions becomes crucial. To execute that scrutiny in a system of multi-level governance is challenging.

The President has already initiated a debate about a **scrutiny committee** focusing on all those newly established structures in economic governance, like the ESM, the Fiscal Compact, banking supervision, the Euro-Plus Pact, etc. Political groups have held intensive discussions about the subject and key players in committee have shown themselves open to the idea.

The comparative studies with National Parliaments and the US Congress have provided further examples of how to effectively implement closer parliamentary scrutiny of the executive. The practice of parliamentary **select committees in the UK House of Commons** and the close cooperation between the US Congress and the **Government Accountability Office (GAO)**, investigating the effectiveness of existing legislation and programmes, provide interesting models for Parliament as well.

VI. MULTI-PLAYER SYSTEM and MULTI-TECH ACCELERATOR

'Preparing for complexity' identified as one of the major trends, the growing emergence of the individual citizen as a political actor in his or her own right. This new phenomenon is intimately linked to the technological quantum leap in information. The internet revolution, blogs, Facebook and Twitter, and the emergence of new hardware tools like smartphones and tablets, have democratised the access to and exchange of information beyond recognition and made it a permanent feature in daily life. This new information world is highly competitive, innovative and in permanent transition.

The Parliament enters this new era with a number of competitive advantages.

First, it is extremely content-rich. In fact, in a sense, content is what we are producing. Second, we are already a multinational organisation. Third, we dispose of a global network. Fourth, our Members are elected by the people, which give them a very high degree of legitimacy.

All of this gives us the chance to be an **international reference point for content on European issues**.

The Parliament enters this world as an extremely content-rich organisation. We conduct studies, organise hearings, and provide reflection papers and analysis - everything a think tank would do as well.

But we can also claim that that content is extremely well hidden away. It is rather experts who will be ready to go through a long search operation on our website to find content. The latest content always needs to be immediately available on page one of a specific sub-section. We have to move **from 'search' to 'find'**.

Webstreaming provides the opportunity to everybody interested to follow our work in committee or plenary. EuroparlTV provides produced content. More ambitious plans for a parliamentary TV channel had to be shelved at the time, because of the costs of providing content in all languages.

The Parliament's 766 Members together are issuing several policy statements a minute. Those are now visible together on **Newshub**, integrating all content contributions of members live.

Rules and procedures are in place to efficiently deal with citizens' initiatives, introducing **an element of participatory democracy**. At a certain stage, Parliament might wish to consider whether to introduce citizens' participation as a direct and systematic element into the legislative process. The technological basis for consultation of citizens on texts exists with software like 'liquid feedback'.



Klaus WELLE