How the Commission uses the Council Presidency to maintain its influence over EU policymaking

EU policies are set jointly by the European Commission, the European Parliament, and the Council. But which of these institutions has more power to determine final policy outcomes? Drawing on a new study, **Philippe van Gruisen** and **Christophe Crombez** show that even though the Commission has lost powers with subsequent Treaty changes, it remains a powerful player in EU policymaking.

The distribution of legislative power in the EU is a well-researched topic among economists and political scientists. Legislative power is usually referred to as the ability of an actor to determine policy outcomes. In the EU, policies are collectively decided by three institutions: the European Commission, the European Parliament, and the Council. But what are their relative powers to shape EU policies, and where do these powers stem from?

The EU Treaties are an important source of power. They stipulate which legislative procedure is used for a particular policy domain. These procedures, in turn, outline who has the right to make a proposal, who can amend, or who can veto policy changes. There are two main procedures in the EU: consultation and codecision. The Commission, for instance, has the sole right of initiative to formulate a proposal under both procedures. This ability grants the Commission legislative power, especially under the consultation procedure. Under that procedure the European Parliament's approval is not necessary and the Council can only amend the Commission's proposal by the burdensome unanimity requirement. As a result, the Commission can present the Council with a take-it-or-leave-it offer and derive powers from it.

The situation is different under the codecision procedure, today the most widely used procedure. While the Commission is still equipped with the ability to formulate a proposal, both the approval of the Council and European Parliament is now required. Moreover, once the Commission has made its proposal, the Council and Parliament can together agree on a policy very different from what the Commission wants. The Commission has thus arguably lost most of its power under this procedure.

The Commission and the Council Presidency

In a <u>new study</u>, we stress an alternative source of power for the Commission: it can strategically use the rotating Presidency of the Council. The Council Presidency rotates every six months between the EU member states and acts as the main representative of the Council in negotiations with the European Parliament. The final policy thus may, at least in part, reflect the preferences of the Presidency.

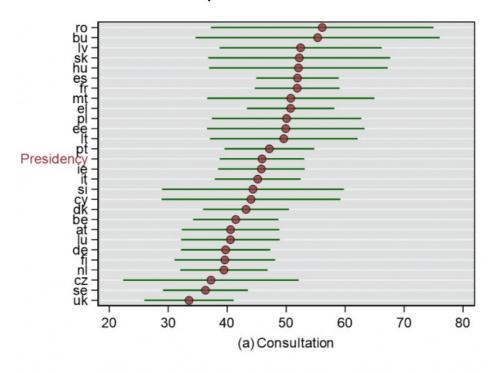
To study whether the Presidency's role limits or expands the Commission's powers, we develop two-period spatial models of EU policymaking that include the Presidency as a key player. In the model, the preferences of the Presidency may change between the two periods, as member states take turns at the Presidency. The Commission can then decide under which Presidency period to introduce its proposals.

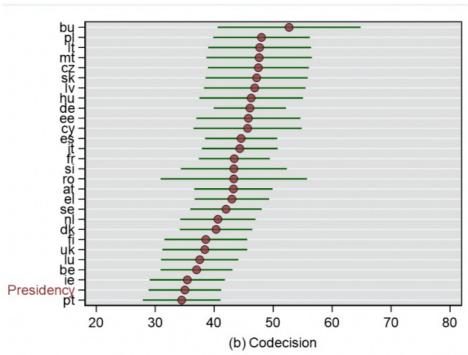
The models show that there are situations in which the Commission has incentives to wait with the formulation of a proposal until another member state with more similar preferences takes over the Presidency. The Commission thus does not randomly initiate a proposal. Instead, it times the introduction of its proposal as a function of the Presidency. Most interestingly, the Commission has incentives to use this strategy under the codecison procedure only. Under the consultation procedure, by contrast, the Commission has no incentives to wait to formulate a proposal until a more like-minded Presidency enters office. Under that procedure the Commission already has significant agenda-setting powers. Hence, we conclude that the Presidency's role expends the Commission's power in the codecision procedure.

An empirical test

To empirically test the conclusions of our models – the Commission times the introduction of its proposals under codecision – we use the widely used DEU I and II datasets. These datasets include expert judgements of the ideal positions of the Commission, the European Parliament and each of the member states at the outset of the negotiations. If the Commission times its proposals as a function of the member state at the Presidency, we could expect the preferences of the Presidency to be closer to those of the Commission than member states not in the Presidency. As mentioned before, we only expect to observe this behaviour under the codecision procedure.

Figure 1: Estimated distance between the ideal positions of the member states and the Commission





Note: Confidence intervals are shown in green. The Presidency in the Figure represents all observations of the member states' distances to the Commission in the period they held the six-month Presidency.

Figure 1 plots the distance between the ideal positions of the Commission and the member states at the start of the legislative process, for each of the two legislative procedures. The smaller the score on the horizontal axis, the more the preferences of the member state and the Commission are aligned. The figure shows that under the consultation procedure, the member states that held the Presidency were no closer to the Commission than other member states. By contrast, for decisions made under the codecision procedure, member states holding the Presidency had preferences a lot closer to the Commission. This result is strongly robust to a series of regression analyses with different model specifications.

In conclusion, while the Commission has indeed lost powers with the introduction and extension of the codecision procedure, it can retain part of its powers by timing the formulation of its proposals. The Commission formulates a proposal on an issue when the Presidency is close to itself on that issue.

For more information, see the authors' open access article at the European Journal of Political Economy

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