

MINIMUM STANDARDS FOR PARLIAMENTARY PARTICIPATION IN THE EUROPEAN SEMESTER

Executive summary

■ VALENTIN KREILINGER
Policy Fellow,
Jacques Delors Institute
Berlin

This Policy Paper argues that the European Semester currently suffers from a lack of both ownership and accountability: **Member states are reluctant to follow and implement the country-specific recommendations** which they do not see as “theirs”. Many elements of the European Semester are endorsed by the Council, but rarely sufficiently debated at the national level. At the same time, it is **difficult for parliaments to hold the executive at national and EU levels accountable** for its conduct and decisions. These two phenomena severely hamper the efficiency of the European Semester as a tool for economic and fiscal policy coordination and monitoring.

As a way of tackling this problem, **national parliaments should consider adopting minimum standards for parliamentary participation**. This Policy Paper examines when and how national parliaments could be involved in the European Semester and proposes a working group to draw up the precise arrangements. This would allow better parliamentary involvement during the European Semester cycles under the next European Commission from 2019 to 2024.

The next meeting of national parliaments and the European Parliament to discuss economic governance issues such as the European Semester is scheduled to take place on 18 and 19 February 2019 in Brussels. The “European Parliamentary Week” and the “Interparliamentary Conference on Stability, Economic Coordination and Governance” that will bring together around 200 members of national parliaments and the European Parliament could well be **an early and opportune moment to discuss parliamentary involvement in the European Semester**.

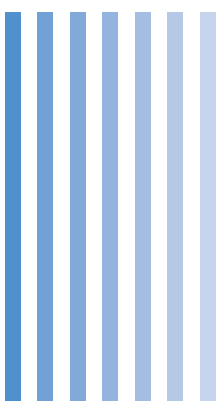


TABLE OF CONTENTS

Introduction	3
1. What do national parliaments currently do in the European Semester?	4
2. When and how exactly should national parliaments be involved in the European Semester?	7
3. How could national parliaments elaborate a set of “minimum standards” for their involvement in the European Semester?	10
Conclusion	12
Bibliography	13
On the same topic	14

INTRODUCTION

This Policy Paper argues that giving national parliaments a greater say in the process of fiscal and economic coordination and surveillance set out within the European Semester could **stimulate wider political awareness** of what's at stake and **underpin member state commitments** at EU level. Recurrent clashes and backroom deals between individual governments and the European Commission as well as opaque and complicated procedures with inadequate public visibility have so far hampered the implementation of the European Semester. The cases of Italy and France in late 2018 are just two recent examples for governments deviating from their previously-agreed fiscal trajectories. National parliamentary involvement could not only bring the European Semester into the national political arena, but also increase government accountability.

Some national parliaments have been involved in certain areas of EU economic policy-making and have been active with plenary debates, parliamentary mandates and resolutions in the euro crisis.¹ The different procedures of the European Semester, however, have so far resisted parliamentary (co-)ownership and remain dominated by the member states' executives. Besides setting the criteria for national debt and deficit, the European Semester also embraces economic indicators, but fiscal elements, e.g. the Stability and Growth Pact, receive more public attention than economic factors whose monitoring is often perceived as less intrusive.

National governments can always refer to an earlier step of the European Semester as determining their actions in advance.² Therefore, the question arises as to *who holds the European Commission and national governments accountable* in this process. National parliaments (and the European Parliament) currently only partly fulfil this task. As the European Semester mostly concerns the **conduct of national fiscal and economic policies**, the primary parliamentary responsibility lies with national deputies (and not MEPs). Critically, compared to other areas of direct participation of national parliaments in EU affairs, the European Semester offers a real possibility for them to be substantially involved.³

This Policy Paper proceeds as follows: The first section briefly examines national parliaments' participation in the European Semester. The second section analyses where (and how) national parliaments should be more involved. The third section then sets out a proposal to elaborate minimum standards for parliamentary participation.

“

THE PRIMARY
PARLIAMENTARY
RESPONSIBILITY
LIES WITH NATIONAL
DEPUTIES

1. Auel Katrin and Höing Oliver, 2015, [National Parliaments and the Eurozone Crisis: Taking Ownership in Difficult Times?](#), in: *West European Politics*, 38 (2), pp. 375–395.

2. Crum Ben and Curtin Deirdre (2015), [The Challenge of Making European Union Executive Power Accountable](#), in: Piattoni Simona (ed.), *The European Union: Democratic Principles and Institutional Architectures in Times of Crisis* (Oxford University Press), pp. 63–87.

3. de Wilde Pieter and Raunio Tapio, 2018, [Redirecting national parliaments: Setting priorities for involvement in EU affairs](#), in: *Comparative European Politics*, 16 (2), pp 310–329.

1. WHAT DO NATIONAL PARLIAMENTS CURRENTLY DO IN THE EUROPEAN SEMESTER?

The European Semester is the main framework for coordinating budgetary and economic policies in the EU/Euro area over the annual cycle. Each new round of the process starts with Euro area member state governments submitting their draft budgetary plans to the European Commission on 15 October prior to their national budget procedures. In November, the Commission publishes the Annual Growth Survey (EU-wide economic policy priorities) and the Alert Mechanism Report (Macroeconomic Imbalances). These are followed by detailed country reports. The European Council then endorses the priorities of the Annual Growth Survey (AGS) in March. Following this, the European Semester moves back to the national political arena: All member states are obliged to submit Stability or Convergence Programmes and National Reform Programmes to the Commission by 30 April. Subsequently, the Commission drafts Country-specific Recommendations (CSRs) providing guidance for reform and which are adopted by the Council in June/July. Member states are expected to take these recommendations into account when adopting their national fiscal and economic policies.

There is **general agreement** among EU policy-makers that **national parliaments should be closely involved** in the European Semester. For example, the Five Presidents' Report of June 2015, which depicted the first comprehensive assessment of Euro governance after the crisis, argued with respect to national parliaments that they should "[a]s a rule [...] be closely involved in the adoption of National Reform and Stability Programmes."⁴

“

BETTER NATIONAL
OWNERSHIP OF
THE PROCESS

What are the benefits of involving law-makers? Parliaments could contribute to better national ownership of the process which is often simply attributed to “Brussels bureaucrats”. Member states’ compliance with CSRs *might* increase when national actors are aware of and take interdependencies within an Economic and Monetary Union into consideration.⁵ European Semester policies might, however, also be contested in national parliamentary arenas.⁶ If member state compliance with CSRs *decreased* as a result of more parliamentary involvement, this might be “the price to pay for the longer-term legitimacy of the European Semester as a process.”⁷

The **scrutiny tools** that national parliaments have at their disposal can be grouped into three main categories: Plenary debates and votes, committee meetings and hearings, reports and resolutions (see Box 1).

4. European Commission, [Completing Europe's Economic and Monetary Union](#) (Report by Jean-Claude Juncker in close cooperation with Donald Tusk, Jeroen Dijsselbloem, Mario Draghi and Martin Schulz), June 2015, p. 17.

5. Kreiinger Valentin, 2016, [National parliaments, surveillance mechanisms and ownership in the Euro Area](#), Studies and Reports n°110, Jacques Delors Institut – Berlin.

6. For examples, see Kreiinger Valentin, 2018, [Scrutinising the European Semester in national parliaments: what are the drivers of parliamentary involvement?](#), in: *Journal of European Integration*, 40 (3), pp. 325–340.

7. Crum Ben, 2018, [Parliamentary accountability in multilevel governance: what role for parliaments in post-crisis EU economic governance?](#), in: *Journal of European Public Policy*, 25 (2), pp. 268–286, here: p. 282.

BOX 1 ■ The three main categories of instruments in the parliamentary scrutiny toolbox for the European Semester*Plenary debates (and votes)*

Plenary debates bring European issues to the attention of the wider public within a member state. They are not merely a contest between government and opposition, but may have a policy impact. Stability Programmes and National Reform Programmes have occasionally been debated in plenary sessions. The combination of plenary debate and plenary vote allows all deputies/MPs to set out their views.

Committee meetings (and hearings)

National Budget or Finance committees often meet behind closed doors. Ex-ante scrutiny in committees gives MPs the opportunity to ask whether the underlying economic or budgetary assumptions that the government makes, for instance in the Stability Programme, are realistic. MPs may even discreetly influence or try to amend any draft document(s). But a closed-door session by its very nature cannot stimulate public debate. Committee hearings with European Commissioners are an opportunity to question the CSRs.

Reports and resolutions

Resolutions and motions (even if unsuccessful) enable parliamentary party groups to take positions and communicate them to the public. Motions are a key instrument for the parliamentary minority to initiate (plenary) debates forcing the governing parties to express their views and impose votes, even roll-call votes, on them. Within legislatures with a report-based scrutiny system, reports often come with a resolution that summarises the position/demands of parliament.

Source: Own elaboration.

Recent studies show that across the EU **national parliaments' participation is very uneven**.⁸ A survey among national parliaments indicates that most governments inform MPs about the AGS, but sometimes only after its adoption by the European Council. According to the aggregate data, only about a third of national parliaments is informed about the Stability or Convergence Programmes and National Reform Programmes only after they are submitted to the Commission.⁹

The latest available country-level data show that 16 out of 28 national parliaments (lower chambers) were involved in the preparation of both programmes in 2016 while nine were not involved in the preparation of either (see Table 1).¹⁰

8. Hallerberg Mark, Marzotto Benedicta, and Wolff Guntram B., 2018, *Explaining the evolving role of national parliaments under the European Semester*, in: *Journal of European Public Policy*, 25 (2), pp. 250–267;

Rozenberg Olivier, 2017, *The Role of the National Parliaments after Lisbon: Potentialities and Challenges*, European Parliament;

Hagelstam Kajus, Lehofer Wolfgang, and Ciucci Matteo, 2018, *The role of national parliaments in the European Semester for economic policy coordination*, European Parliament.

9. Hagelstam Kajus, Lehofer Wolfgang, and Ciucci Matteo, 2018, *The role of national parliaments in the European Semester for economic policy coordination*, European Parliament.

10. Rozenberg Olivier, 2017, *The Role of the National Parliaments after Lisbon: Potentialities and Challenges*, European Parliament, pp. 44–45.

TABLE 1 ■ Involvement of National Parliaments in the European Semester in 2016

Participation of respective National Parliament in the preparation of the...		National Reform Programme 2016	
		Yes	No
Stability or Convergence Programme 2016	Yes	CZ, DK, DE, ES, FI, FR, HR, IT, LV, LT, LU, NL, PL, PT, SE, SI (16)	BG, IE, UK (3)
	No	-/- (0)	AT, BE, CY, EE, EL*, HU, MT, RO, SK (9)

Source: Rozenberg Olivier, 2017, *The Role of the National Parliaments after Lisbon: Potentialities and Challenges*, European Parliament, p. 45.

* EL: Member State subject to a macro-economic adjustment programme not required to submit a fully-fledged Stability Programme and National Reform Programme.

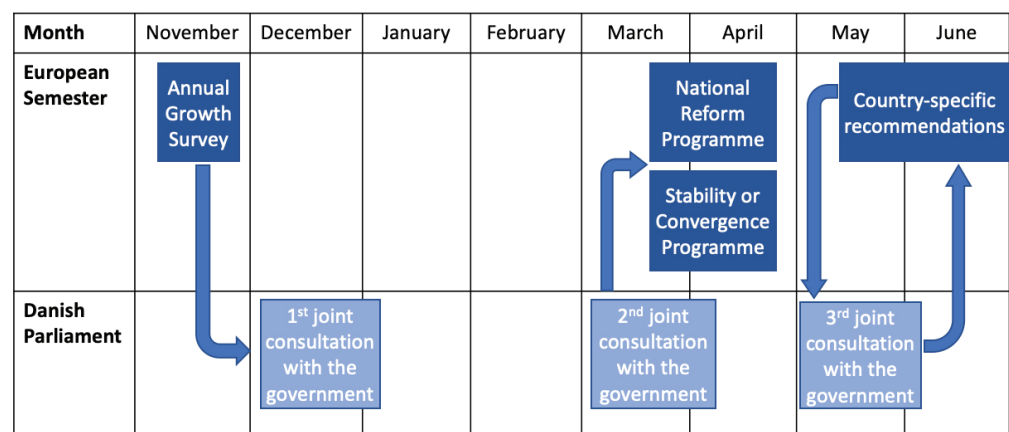
Very few **parliamentary votes** on Stability or Convergence Programmes and National Reform Programmes take place: In 2017, eight national parliaments/chambers (out of 33 responses to the survey) adopted an opinion on the Stability or Convergence Programme; an equal number adopted one on the National Reform Programme.¹¹ Even if a parliamentary vote is legally prescribed, as in France on the Stability Programme, governments have sometimes found ways to circumvent this kind of substantive parliamentary involvement.¹²

One national parliament whose scrutiny of the European Semester is often considered exemplary is the Danish Folketing.¹³ Its involvement is far-reaching and comprehensive: The European affairs committee and the Finance committee scrutinise the Annual Growth Survey, the National Reform Programme and the Convergence Programme as well as the Commission's draft CSRs in a total of three joint sessions (see Figure 1).¹⁴

“

THE SCRUTINY OF THE DANISH FOLKETING IS OFTEN CONSIDERED EXEMPLARY

FIGURE 1 ■ Denmark's "National Semester": A role model?



Source: Own elaboration.

11. Hagelstam Kajus, Lehofer Wolfgang, and Ciucci Matteo, 2018, *The role of national parliaments in the European Semester for economic policy coordination*, European Parliament.

12. Kreilinger Valentin, 2018, *Scrutinising the European Semester in national parliaments: what are the drivers of parliamentary involvement?*, in: *Journal of European Integration*, 40 (3), pp. 325–340, here: p. 332.

13. Kreilinger Valentin, 2016, *National parliaments, surveillance mechanisms and ownership in the Euro Area*, Studies and Reports n°110, Jacques Delors Institut – Berlin, pp. 35–36.

14. Danish Folketing, *Report on Consideration of the European Semester by the Danish Parliament*, issued by the European Affairs Committee and the Finance Committee on 21 June 2013, Report No. 5 – 2012–13, p. 2.

Yet when these monitoring provisions were adopted in 2013, the Danish People's Party, the Red-Green Alliance and the Liberal Alliance criticised the level of parliamentary involvement as insufficient, because "the Government will merely need to discuss its general ideas regarding the economic situation with the Danish Parliament on a non-binding basis."¹⁵ This means that even the Folketing is questionable as a role model for parliamentary scrutiny.¹⁶

Interestingly, the **German Bundestag**, which has become an influential player in matters concerning the Euro area, is much less active in the European Semester than in general EU affairs or in the budget process. The Semester is only occasionally debated in plenary sessions and committee meetings. Opposition MPs publicly complain and members of the governing parties privately agree that, when it comes to scrutinising the European Semester, the German parliament is lagging behind.¹⁷

2. WHEN AND HOW EXACTLY SHOULD NATIONAL PARLIAMENTS BE INVOLVED IN THE EUROPEAN SEMESTER?

“

NO REFLECTIONS
ON POTENTIAL MODELS
HAVE BEEN ISSUED

In October 2015, the European Commission announced its intention to put forward "model arrangements" for its interaction with national parliaments in the European Semester¹⁸, but no such arrangements or even reflections on potential models have since been issued.¹⁹ The Commission's general idea faces a major practical problem: Although an ideal model could be useful for discussing parliamentary involvement in the Semester, it might interfere with the principle of national constitutional self-organisation.

The European Semester proceeds, as the previous section has explained, in four main stages from October to July. Below, this Policy Paper examines how national parliaments might be involved at each stage.

In the **first stage**, as part of the Two-Pack (which contains provisions for the monitoring of draft budgets²⁰), Euro area member state governments are required to submit a draft budgetary plan to the Commission by 15 October, before the annual budget procedure starts domestically. The Commission then examines these plans and adopts an opinion about whether they comply with fiscal rules and pledges. It can demand that the national government amends the draft budgetary plan.

¹⁵ Ibid., p. 3.

¹⁶ Buskjaer Rasmussen Mette, 2018, *Accountability challenges in EU economic governance? Parliamentary scrutiny of the European Semester*, in: *Journal of European Integration*, 40 (3), pp. 341–357, here: pp. 348–353;

Kreiling Valentin, 2016, *National parliaments, surveillance mechanisms and ownership in the Euro Area*, Studies and Reports n°110, Jacques Delors Institut – Berlin, pp. 35–36.

¹⁷ Kreiling Valentin, 2018, *Scrutinising the European Semester in national parliaments: what are the drivers of parliamentary involvement?*, in: *Journal of European Integration*, 40 (3), pp. 325–340, here: pp. 332–333.

¹⁸ European Commission, *On steps towards Completing Economic and Monetary Union*, Communication from the Commission to the European Parliament, the Council and the European Central Bank, COM(2015) 600 final, 21 October 2015, p. 15.

¹⁹ The European Commission's 2017 *Reflection paper on the deepening of the Economic and Monetary Union* floats the idea of an "agreement on the democratic accountability of the Euro area" (p. 28), but remains mostly silent about national parliaments.

²⁰ See European Union, *Regulation (EU) No 473/2013 of the European Parliament and of the Council on common provisions for monitoring and assessing draft budgetary plans and ensuring the correction of excessive deficit of the Member States in the euro area*.



THE RELATIONSHIP BETWEEN COMMISSION AND NATIONAL PARLIAMENTS

The Two-Pack also enshrines the right of national parliaments to *convene a Commissioner* [see Figure 2: 1)] in the context of the assessment of draft budgetary plans and the Excessive Deficit Procedure.²¹ MPs could question a high-level Commission representative and demand explanations of the Commission's budgetary and economic policy assessments. Although the Five Presidents' Report of June 2015 encouraged national parliaments to invite Commissioners²², the question arises why they have been reluctant to use that possibility. The new kind of cross-level relationship between Commission and national parliaments with the "power of the purse" calls for cross-level scrutiny at a hearing and/or in writing. The adoption of the Commission's opinion on a draft budgetary plan could be an opportunity for MPs to *scrutinise the opinion and (eventually) to articulate their own view in the form of a report or resolution* [see Figure 2: 2)].

The **second stage** consists of three separate documents: In November, the Commission assesses the overall economic situation (AGS), monitors the macroeconomic balances in EU member states (Alert Mechanism Report) and, since the European Semester cycle of 2017, it puts forward its specific Euro area recommendation at the same time. The task of scrutinising this stage of the Semester lies with the European Parliament and the "European Parliamentary Week" that is linked to the "Inter-parliamentary Conference on Stability, Economic Coordination and Governance". It brings together around 200 MPs and MEPs each February: National parliamentarians should exploit these meetings to exchange with their colleagues and make their views heard in Brussels. A critical political moment, as part of this second stage, is the European Council in March, when member states "claim political control over the process"²³, but the summit has generally simply endorsed the economic priorities put forward by the Commission in the AGS: It has been neither the place nor the moment for debating let alone deciding EU-wide economic policy priorities.



VITAL TO INVOLVE NATIONAL PARLIAMENTS AT THIS STAGE

In the **third stage**, the Semester moves from EU to national level: Stability or Convergence Programmes²⁴ and National Reform Programmes contain the national governments' plans, promises and pledges in the area of fiscal and economic policies. It is vital to involve national parliaments at this stage: According to the Five Presidents' Report, national parliaments should "[a]s a rule [...] be closely involved in the adoption of National Reform and Stability Programmes."²⁵ In its communication "On steps towards Completing Economic and Monetary Union" of October 2015, the Commission stressed that National Reform Programmes "should become an instrument for member states to respond to the Commission analysis by presenting forward-looking policy initiatives."²⁶ Neither document was endorsed by member states, but the pair constitute the most important post-crisis reflections on Euro area reform undertaken at EU level. Most national parliaments debate Stability or Convergence Programmes and National Reform Programmes ex-ante – before their governments

21. The national parliament from any Euro area country can ask the Commission to present its opinion on the draft budgetary plan and a recommendation issued in the Excessive Deficit Procedure in case of a recommendation issued because of a risk of non-compliance with the deadline to correct an excessive deficit (Article 7(3) and Article 11(2) of Regulation 473/2013).

22. European Commission, *Completing Europe's Economic and Monetary Union* (Report by Jean-Claude Juncker in close cooperation with Donald Tusk, Jeroen Dijsselbloem, Mario Draghi and Martin Schulz), June 2015, p. 17.

23. Crum Ben, 2018, *Parliamentary accountability in multilevel governance: what role for parliaments in post-crisis EU economic governance?*, in: *Journal of European Public Policy*, 25 (2), pp. 268–286, here: p. 279.

24. Euro area members draft/submit Stability Programmes while EU member states whose currency is not the Euro draft/submit Convergence Programmes.

25. European Commission, *Completing Europe's Economic and Monetary Union* (Report by Jean-Claude Juncker in close cooperation with Donald Tusk, Jeroen Dijsselbloem, Mario Draghi and Martin Schulz), June 2015, p. 17.

26. European Commission, *On steps towards Completing Economic and Monetary Union*, Communication from the Commission to the European Parliament, the Council and the European Central Bank, COM(2015) 600 final, 21 October 2015, p. 3.

submit them to the Commission.²⁷ A mere handful of national parliaments vote on them.²⁸ In some countries, however, MPs are only able to scrutinise Stability or Convergence Programmes and National Reform Programmes ex-post – after they were sent to Brussels. Two distinct possibilities of involving the national parliament are: *discussing the Programmes with the government in parliamentary committee(s)* [see Figure 2: 3)] ahead of their completion and submission to the Commission and *plenary debates or votes* on them [see Figure 2: 4)].



THE CSRS PROVIDE
GUIDANCE FOR
ECONOMIC REFORMS

The **fourth stage** contains the “result” of the European Semester as a coordination and surveillance cycle aka the CSRs that provide guidance for economic reforms. These are drafted by the Commission; member states adopt them in the Council (they may be amended by reversed qualified majority) and are expected to take these recommendations into account when they develop their national fiscal and economic policies. The Commission monitors CSR implementation, but even though it claims that the Semester has become “an important vehicle for delivering reforms at national and EU level”²⁹, most member states have a low implementation record for CSRs.³⁰ The prime political venue for discussing these recommendations would be national parliaments.³¹ Even though most of these scrutinise the CSRs³², MPs’ involvement could be improved: The recommendations could be an agenda item in *plenary sessions* or could be the subject of *committee hearings with the national government or the European Commission* [see Figure 2: 5), 6) and 7)]. This echoes the Five Presidents’ Report which referred to CSRs and national budgetary procedures in suggesting that the Commission “should work out model arrangements to make interaction with national parliaments more efficient.”³³

In short: There is **plenty of room for national parliaments to become (more) involved**. Three modes of parliamentary participation are particularly important in the context of the European Semester:

- Information from and exchanges with the government at an early stage (blue)
- Exchanges with the European Commission (yellow)
- Discussions and public debates in plenary sessions (red)

Figure 2 summarises **how parliamentary involvement could be strengthened** at the different stages of the European Semester **in a focused and targeted way**. No member state legislature currently achieves this level of involvement: Denmark’s National Semester is, as described above, the most developed scrutiny system.

²⁷ Hagelstam Kajus, Lehofer Wolfgang, and Ciucci Matteo, 2018, *The role of national parliaments in the European Semester for economic policy coordination*, European Parliament.

²⁸ Kreilinger Valentin, 2018, *Scrutinising the European Semester in national parliaments: what are the drivers of parliamentary involvement?*, in: *Journal of European Integration*, 40 (3), pp. 325–340, here: p. 332.

²⁹ European Commission, *On steps towards Completing Economic and Monetary Union*, Communication from the Commission to the European Parliament, the Council and the European Central Bank, COM(2015) 600 final, 21 October 2015, p. 3.

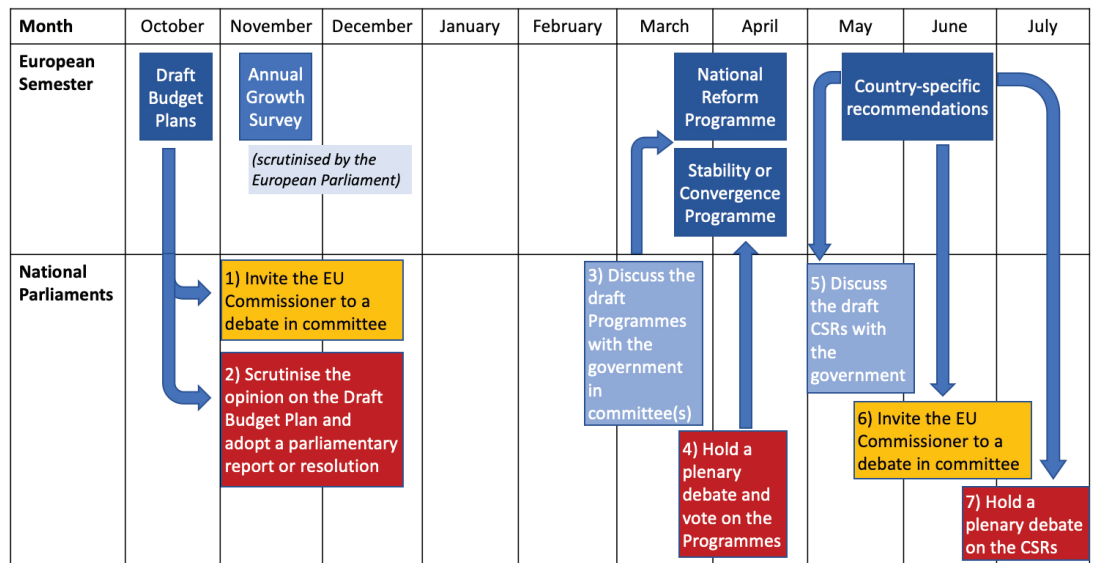
³⁰ Efstathiou Konstantinos and Wolff Guntram B., 2018, *Is the European Semester effective and useful?*, Bruegel Policy Contribution; Verdun Amy and Zeitlin Jonathan, 2018, *Introduction: the European Semester as a new architecture of EU socioeconomic governance in theory and practice*, in *Journal of European Public Policy*, 25 (2), pp. 137–148, here: p. 140.

³¹ Kreilinger Valentin, 2016, *National parliaments, surveillance mechanisms and ownership in the Euro Area*, Studies and Reports n°110, Jacques Delors Institut – Berlin, p. 40.

³² Hallerberg Mark, Marzinotto Benedicta, and Wolff Guntram B., 2018, *Explaining the evolving role of national parliaments under the European Semester*, in: *Journal of European Public Policy*, 25 (2), pp. 250–267.

³³ European Commission, *Completing Europe’s Economic and Monetary Union* (Report by Jean-Claude Juncker in close cooperation with Donald Tusk, Jeroen Dijsselbloem, Mario Draghi and Martin Schulz), June 2015, p. 17.

FIGURE 2 ■ Possibilities for national parliaments to be involved in the European Semester



Source: Own elaboration.

3. HOW COULD NATIONAL PARLIAMENTS ELABORATE A SET OF “MINIMUM STANDARDS” FOR THEIR INVOLVEMENT IN THE EUROPEAN SEMESTER?

Instead of singling out one national parliament or a fixed set of best practices which might turn out to be ill-suited for established patterns of interaction between national parliaments and their government, minimum standards for parliamentary involvement in the European Semester appear more appropriate.³⁴ They would help to **address the uneven involvement of MPs in the Semester**. Once minimum standards are adopted, inactive national parliaments would face some peer-pressure and could no longer ignore the Semester.

Political scientist Christopher Lord has similarly argued that “maybe minimum standards of parliamentary oversight are needed.”³⁵ He points out that the Committee of Regions has suggested a code of conduct for the involvement of local and regional assemblies in the European Semester.³⁶ The European Parliament has supported the Committee of Regions on this matter and, moreover, reminded governments in late 2016 that it was their responsibility “to ensure a proper democratic scrutiny of their National Reform Programmes in their respective national parliaments.”³⁷

34. Kreilinger Valentin, 2018, *Scrutinising the European Semester in national parliaments: what are the drivers of parliamentary involvement?*, in: *Journal of European Integration*, 40 (3), pp. 325–340, here: pp. 335–336.

35. Lord Christopher, 2017, *How can Parliaments Contribute to the Legitimacy of the European Semester?*, in: *Parliamentary Affairs*, 70 (4), pp. 673–690, here: p. 688.

36. European Committee of the Regions, *Opinion on “Improving the governance of the European Semester: a Code of Conduct for the involvement of local and regional authorities”*, Official Journal of the European Union, 2017, C 306/24.

37. European Parliament, *European Parliament resolution of 26 October 2016 on the European Semester for economic policy coordination: implementation of 2016 priorities* (P8_TA(2016)0416), para 6.



BETTER NATIONAL
OWNERSHIP OF
THE PROCESS

National governments now “appear to retain full control over the national phase of the Semester.”³⁸ Minimum standards for parliamentary involvement could contribute to better national ownership of the process and might even increase compliance with CSRs.³⁹ Debating and arguing about European Semester policies in national parliamentary arenas might, however, decrease compliance and would then be “the price to pay for the longer-term legitimacy of the European Semester as a process.”⁴⁰

In any reflection on minimum standards, the emphasis should be put on *information flows*. This refers to the information about the European Semester that national parliaments receive as well as when and how they are able to process this.⁴¹ But *exchanges with the European Commission and discussions and public debates in plenary sessions* are important as well.

With respect to the National Stability and Reform Programmes, it would be governments’ task to give MPs an opportunity to discuss drafts before transmitting them to the Commission by 30 April (see Figure 2, above). During the following Semester stage, national parliaments receive the draft CSRs and other documents from the Commission under the normal transmission procedures.⁴² This would enable them to discuss the CSRs with their national government *before* the Council adopts them by reversed qualified majority. However, only a handful of national parliaments do so as we have seen.⁴³

This issue is related to interactions between national governments and the European Commission before the Commission issues the draft CSRs. The decline in amendments to the draft recommendations in the Council⁴⁴ might be because neither parliament nor public sees modifications that took place before the draft is published. In order to tackle this element of lack of transparency in the Semester process, the French Assemblée nationale has, for instance, asked the government for it to be included in these discussions with the Commission.⁴⁵



BASIC PRINCIPLES AS
TO WHEN AND HOW
NATIONAL PARLIAMENTS
SHOULD BE INVOLVED

Drawing up basic principles as to when and how national parliaments should be involved in the Semester **should be put in the hands of a working group composed of MPs.**⁴⁶ This working group could specify procedural aspects of the interaction between national governments and parliaments on the one hand, as well as between national parliaments and the Commission on the other hand. It could also address substantive aspects of scrutinising the Semester with a view to providing a basis for a common understanding about the role of national parliaments in the entire process.

38. Vanheuverzwijn Pierre and Crespy Amandine, 2018, *Macro-economic coordination and elusive ownership in the European Union*, in: Public Administration, 96 (3), pp. 578–593, here: p. 590.

39. Kreilinger Valentin, 2016, *National parliaments, surveillance mechanisms and ownership in the Euro Area*, Studies and Reports n°110, Jacques Delors Institut – Berlin.

40. Crum Ben, 2018, *Parliamentary accountability in multilevel governance: what role for parliaments in post-crisis EU economic governance?*, in: Journal of European Public Policy, 25 (2), pp. 268–286, here: p. 282.

41. Fasone Cristina, 2017, *A more engaged European Commission and European Parliament with national parliaments in the European Semester*. Paper presented at the Hertie School of Governance on 14 December 2017. On file with the author.

42. Article 1, Protocol N°1 annexed to the Treaty of Lisbon.

43. Hallerberg Mark, Marzotto Benedicta, and Wolff Guntram B., 2018, *Explaining the evolving role of national parliaments under the European Semester*, in: Journal of European Public Policy, 25 (2), pp. 250–267;

Kreilinger Valentin, 2016, *National parliaments, surveillance mechanisms and ownership in the Euro Area*, Studies and Reports n°110, Jacques Delors Institut – Berlin.

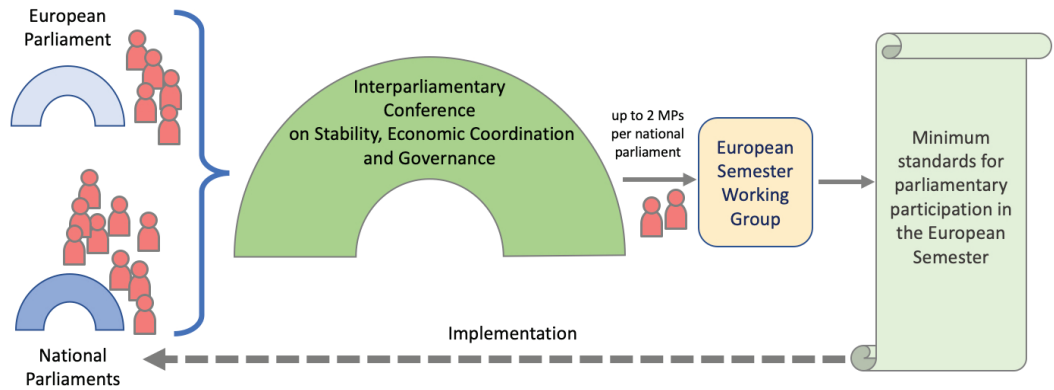
44. Baerg Nicole Rae and Hallerberg Mark, 2016, *Explaining Instability in the Stability and Growth Pact*, in: Comparative Political Studies, 49 (7), pp. 968–1009.

45. Assemblée nationale, *Rapport d’information N°3195 sur le traitement des affaires européennes à l’Assemblée nationale*, 3 November 2015, pp. 45–46.

46. COSAC has occasionally convened working groups to deepen the interparliamentary reflection on specific topics. The SECG Conference could follow this example.

The working group could be set up in the framework of the **Interparliamentary Conference on Stability, Economic Coordination and Governance**. Its task (as described above) would be to elaborate minimum standards for parliamentary involvement in the European Semester and is set out in Figure 3.

FIGURE 3 ■ A working group to agree minimum standards of parliamentary participation in the European Semester



Source: Own elaboration.

CONCLUSION

This Policy Paper started from the premise that parliamentary co-ownership of the European Semester process could increase the efficiency of the EU's fiscal and economic coordination and surveillance cycle. Greater parliamentary involvement would also enhance the accountability of executive actors (ministers and senior officials) to national parliaments.

There are several crucial stages of the European Semester in which national parliaments should participate. Section 2 made proposals for **how exactly the involvement could unfold** and argued that three ways of parliamentary participation are particularly important in this context: First, information from and exchanges with the government at an early stage; second, exchanges with the European Commission; and, third, discussions and public debates in plenary sessions.

In order to enhance parliamentary involvement along these lines, this Policy Paper proposes entrusting a working group (with of up to **two national parliamentarians per EU member state**) with the task of elaborating minimum standards for MPs' participation. The "European Semester Working Group" should carefully consider how to address the various shortcomings of parliamentary involvement that apply to the European Semester (see Section 3).

These considerations should also take into account areas beyond the European Semester narrowly defined: In the case of bicameral systems, for instance, both chambers should be involved in scrutinising the Semester, in accordance with national constitutional provisions. Parliamentary reports or resolutions could have room for minority opinions and, in addition to that, another element of better parliamentary involvement would be to ensure that national parliaments' delegations to the Conference on Stability, Economic Coordination and Governance as well as other interparliamentary meetings are always cross-party, with MPs from all major political groups, including governing as well as opposition parties.⁴⁷

⁴⁷. Rozenberg Olivier, 2017, *The Role of the National Parliaments after Lisbon: Potentialities and Challenges*, European Parliament.

BIBLIOGRAPHY

Primary sources

- Assemblée nationale, 2015, [Rapport d'information N°3195 sur le traitement des affaires européennes à l'Assemblée nationale](#), 3 November 2015.
- Danish Folketing, 2013, [Report on Consideration of the European Semester by the Danish Parliament](#), issued by the European Affairs Committee and the Finance Committee on 21 June 2013, Report No. 5 – 2012-13.
- European Commission, 2015, [Completing Europe's Economic and Monetary Union](#) (Report by Jean-Claude Juncker in close cooperation with Donald Tusk, Jeroen Dijsselbloem, Mario Draghi and Martin Schulz), June 2015, also called "Five Presidents' Report".
- European Commission, 2015, [On steps towards Completing Economic and Monetary Union](#), Communication from the Commission to the European Parliament, the Council and the European Central Bank, COM(2015) 600 final, 21 October 2015.
- European Commission, 2017, [Reflection paper on the deepening of the Economic and Monetary Union](#), COM(2017) 291 final, 31 May 2017.
- European Committee of the Regions, 2017, [Opinion on "Improving the governance of the European Semester: a Code of Conduct for the involvement of local and regional authorities"](#), Official Journal of the European Union, C 306/24.
- European Parliament, 2016, [European Parliament resolution of 26 October 2016 on the European Semester for economic policy coordination: implementation of 2016 priorities](#) (P8_TA(2016)0416).
- European Union, 2013, [Regulation \(EU\) No 473/2013 of the European Parliament and of the Council on common provisions for monitoring and assessing draft budgetary plans and ensuring the correction of excessive deficit of the Member States in the euro area](#).

Literature

- Auel Katrin and Höing Oliver, 2015, [National Parliaments and the Eurozone Crisis: Taking Ownership in Difficult Times?](#), in: West European Politics, 38 (2), 375–395.
- Baerg Nicole Rae and Hallerberg Mark, 2016, [Explaining Instability in the Stability and Growth Pact](#), in: Comparative Political Studies, 49 (7), 968–1009.
- Buskjaer Rasmussen Mette, 2018, [Accountability challenges in EU economic governance? Parliamentary scrutiny of the European Semester](#), in: Journal of European Integration, 40 (3), 341–357.
- Crum Ben and Curtin Deirdre (2015), [The Challenge of Making European Union Executive Power Accountable](#), in: Piattoni Simona (ed.), The European Union: Democratic Principles and Institutional Architectures in Times of Crisis (Oxford University Press), 63–87.
- Crum Ben, 2018, [Parliamentary accountability in multilevel governance: what role for parliaments in post-crisis EU economic governance?](#), in: Journal of European Public Policy, 25 (2), 268–286.
- Dawson Mark, 2015, [The Legal and Political Accountability Structure of 'Post-Crisis' EU Economic Governance](#), in: Journal of Common Market Studies, 53 (5), 976–993.
- De Wilde Pieter and Raunio Tapio, 2018, [Redirecting national parliaments: Setting priorities for involvement in EU affairs](#), in: Comparative European Politics, 16 (2), pp 310–329.
- Efstathiou Konstantinos and Wolff Guntram B., 2018, [Is the European Semester effective and useful?](#), Bruegel Policy Contribution.

- Fasone Cristina, 2017, [A more engaged European Commission and European Parliament with national parliaments in the European Semester](#). Paper presented at the Hertie School of Governance on 14 December 2017.
- Hagelstam Kajus, Lehofer Wolfgang, and Ciucci Matteo, 2018, [The role of national parliaments in the European Semester for economic policy coordination](#), European Parliament.
- Hallerberg Mark, Marzinotto Benedicta, and Wolff Guntram B., 2018, [Explaining the evolving role of national parliaments under the European Semester](#), in: Journal of European Public Policy, 25 (2), 250–267.
- Kreilinger Valentin, 2016, [National parliaments, surveillance mechanisms and ownership in the Euro Area](#), Studies and Reports n°110, Jacques Delors Institut – Berlin.
- Kreilinger Valentin, 2018, [Scrutinising the European Semester in national parliaments: what are the drivers of parliamentary involvement?](#), in: Journal of European Integration, 40 (3), 325–340.
- Lord Christopher, 2017, [How can Parliaments Contribute to the Legitimacy of the European Semester?](#), in: Parliamentary Affairs, 70 (4), 673–690.
- Rozenberg Olivier, 2017, [The Role of the National Parliaments after Lisbon: Potentialities and Challenges](#), European Parliament.
- Vanheuverzwijn Pierre and Crespy Amandine, 2018, [Macro-economic coordination and elusive ownership in the European Union](#), in: Public Administration, 96 (3), 578–593.
- Verdun Amy and Zeitlin Jonathan, 2018, [Introduction: the European Semester as a new architecture of EU socioeconomic governance in theory and practice](#), in: Journal of European Public Policy, 25 (2), 137–148.

ON THE SAME TOPIC

- Enderlein Henrik, Letta Enrico, et al., 2016, [Repair and Prepare: Growth and the Euro after Brexit](#), Bertelsmann Stiftung and Jacques Delors Institut – Berlin.
- Kreilinger Valentin, 2016, [National parliaments, surveillance mechanisms and ownership in the Euro Area](#), Studies and Reports n°110, Jacques Delors Institut – Berlin.
- Kreilinger Valentin and Larhant Morgan, 2016, [Does the Eurozone need a Parliament?](#), Policy Paper n°176, Jacques Delors Institut – Berlin.

This publication is part of the research project „Repair and Prepare“, a joint project of the Bertelsmann Stiftung and the Jacques Delors Institute Berlin. For more information, please visit www.strengtheningeurope.eu

Repair and Prepare Strengthening Europe

Managing Editor: Henrik Enderlein ■ The document may be reproduced in part or in full on the dual condition that its meaning is not distorted and that the source is mentioned ■ The views expressed are those of the author(s) and do not necessarily reflect those of the publisher ■ Jacques Delors Institut – Berlin cannot be held responsible for the use which any third party may make of the document ■ Original version ■ © Jacques Delors Institut – Berlin, 2019