

The Decision Making Process of EU Institutions What leads to the definition of EU Legislations?

For further information on the topic, please consult: [Decision-making process](#)

Local Adult Education Policy Toolkit for practitioners and policy makers

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The Decision Making process of EU institutions

When we talk about the decision making process of EU institutions, we need to understand first what the decision itself is addressing.

EU PRIORITIES	LEGISLATIONS	BUDGET
<i>The strategic agenda and official political priorities in the EU</i>	<i>The EU law that informs national legislations</i>	<i>The financial and economic resources at European level to sustain development goals of EU counties.</i>

Setting the EU priorities

The setting of EU priorities is launched before the official launch of each new legislative term¹. The official political priorities are settled by the heads of states (and governors) of all EU counties – formally representing the EU Council.

These priorities define the strategic agenda that will orientate the actions undertaken by EU institutions throughout the next six-year period to deliver and support the achievement of this same priorities. Mainly, the strategic agenda will shape and identify key political priorities of the EU Commission intended to ensure for its achievement.

The (political) implementation of the strategic agenda is a multilateral process that see the involvement of all main EU institutions and national governments, representing the key pillars for social, technological and economic development of EU societies.

The Commission’s priorities stemming from the strategic agenda discussed by representatives of EU heads of state are then formally presented in planetary form to the EU Parliament and translated into clear and well-defined mission statements for each candidate Commissioner, and discussed in presence of the relevant Parliament Committee.

From the political guidelines discusses by Commissioners, the Commission deliver its annual working programme, detailing the actions that will be implement in the next solar year to help supporting the achievement of EU priorities.

The adoption of the Commission’s work programme cannot be concluded until both Parliament and Council express their opinion on the programme – including the additional hearings of Commissioners form the EU Economic and Social Committee (EESC) and the Committee of Regions (CoR).

Upon adoption of the work programme, Parliament, Council and Commission publish a jointly declaration on EU priorities which is intended to solidify a common political focus to guarantee the sustainment and achievement of each of the identified priority. In the current period, the strategic agenda 2019-2024 focuses on four priority areas and six political priorities:

PRIORITY AREAS	POLITICAL PRIORITIES
1. <i>Protecting citizens and freedoms</i>	1. <i>A European Green Deal</i>
2. <i>Developing a strong and vibrant economic base</i>	2. <i>A Europe fit for the digital age</i>
3. <i>Building a climate-neutral, green, fair and social Europe</i>	3. <i>An economy that works for people</i>
4. <i>Promoting European interests and values on the global stage</i>	4. <i>A stronger Europe in the world</i>
	5. <i>Promoting our European way of life</i>
	6. <i>A new push for European democracy</i>

¹ The five-year period in office of EU Commissioners and MEPs (Members of the EU Parliament)

The Policy Making dimension of the European Union

The standard decision-making process is defined Ordinary Legislative Procedure and involves all three key decision making bodies: EU Parliament, representing the interests of EU citizens; EU Council, representing the interests of national governments; EU Commission, representing the overall interests of EU. In principle, (new) EU policies are designed and developed based on the identification, and assessment, of new emerging contextual factors (i.e. socio-economic dynamics) for which new policy development might be needed. Readers can find below a detailed overview of the different EU legislations in which the new proposal frames as a policy.

DIRECTIVE: a legislative decision requiring all Member States to pursue and achieve an objective as outlined by the Directive itself. Member States maintain some degree of flexibility in defining national plans and strategies to comply with the Directive

REGULATION: a legislative decision which must find same application among all Members States

DECISION: a legislative decision targeted only to specific subjects (detailed by the Decision)

RECOMMENDATIONS: non-mandatory guidelines and inputs on specific domains and topics, provided also by Member States for other Member States

OPINION: non-mandatory call for actions issued by one of the three institutions, Committee of the Regions, European & Social Affairs Committee

Typically, the main drivers of new policy cycles are represented by radical and disruptive phenomenon in all domain of societies and economy (social inequalities, e.g. migration, gender inequalities; IT development, e.g. AI, machine learning), so much so to challenge the reliability of consolidated policy models. Such monitoring activity is under the responsibility of the European Commission as the institution in charge of identifying where time-relevant discussions may be needed and in regards to which challenges and opportunities.

Based on the above, the EU Commission structure a proposed policy detailing the underlying need (or untapped opportunity) and alternative solutions to address it efficiently and effectively. The proposal stems from many different contributors as representatives of civil society, stakeholders and professional with robust and reliable expertise in the considered field. The proposal is strengthened by the consolidation of an Impact Assessment, quantifying and qualifying the identified issues, their economic, social, and environmental impacts, possible lines of intervention². After that, the EU Commission submit the proposal to the European Parliament and the Council of Europe. Both institutions will evaluate the proposal through their members that are competent on the matter³:

EU Parliament	A task group (i.e. Committee) of Members of the European Parliament (henceforth, MEPs) evaluate and assess the proposal which is also responsible for the bilateral debate with representatives from the Council. The MEPs Committee draft a first reports in which details recommendations and feedbacks that should be of relevance for the assessment process carried out by the Council. Other MEPs are not excluded from the debate as the report will be publicly discussed by the Parliament so as to consolidate and overall common position.
EU Council	The proposal is scrutinized by a working group and submitted to official representatives of national ministries ⁴ . In parallel to the Parliament's discussion, the Council agrees on a general position towards the EU Commission's proposal

What follows after is a debate phase in which Council and Parliament discuss their view on the proposal. Upon any new suggested revision, the Parliament proceed with additional readings as long as a final agreement is not achieved. The progress can be relatively time-consuming, even more if trilateral meetings are foreseen between representatives of the three major institutions. Trilateral discussions are established so as to nurture common agreement from all parties.

From there the proposal passes on the hands of a Conciliation Work Group which finalises the definitive text of the aforementioned⁵. The proposal will translate in policy when both institutions agree on the finale text as elaborated by the work group and after subscription by Presidents and Secretary-Generals of both institutions.

² Although representing the general rule, the Impact Assessment is not mandatory when, for instance, the proposal stems from an existing policy

³ The so defined "First Reading"

⁴ The level of involvement of National Ministries is really an issue on how the proposal might have disproportionate impacts on Members States

⁵ The full text of the policy is available to the public through the Official Journal of the European Union (web portal: [EUR-Lex](#)).

The European Union Budget

We need to think at the EU budget as a set of financial and economic resources that allows EU countries in achieving *more than what they could by acting alone*. Concrete benefits brought to national economies and at EU level are represented by:

- Saving of public funds, as the EU acts as the (co) financier of large infrastructure / research / etc. projects
- Economies of scale and scope
- Multiplier effect, internationalisation and trans-national replicability of good practices
- Prevention of duplication of efforts

The EU budget is not an alternative to national's, but rather a complementary resource that gives elements for boosting competitiveness, economic development and innovation of EU societies. Typical areas that benefits from the availability of these resources are:

1. Development of rural regions of EU
2. Environmental sustainability and safeguarding of natural resources
3. Education, training and research
4. International cooperation (both within and beyond EU borders)
5. Human rights
6. Defence

LONG-TERM BUDGET

Known also as the multiannual financial framework (MFF), the long-term budget covers a seven-year period and defines the ceilings for EU spending per heading (spending category, i.e., research and innovation). The MFF is crucial so sustain the "operationalisation" and concrete achievement of the strategic agenda and EU priorities in general.

Presenting the budget

Needless to say that the negotiation process launch way period the concerned period.

The proposal of the long-term budget is under formal responsibility of the Commission and includes:

- MMF, setting the ceilings of EU spending
- Revenues streams of EU, i.e., Own Resources Decision
- Legislation for all funding programmes

The Negotiation Process

Trilateral negotiations take place between Commission, Council and Parliament.

Final Adoption

The adoption of the long-term budget comes with a special legislative procedure. The MFF is finally adopted only when:

- There is unanimous consensus from the Council
- The Parliament gives its consent to close the procedure

A similar path is foreseen also for the agreement upon the Own Resources Decision, which envisions in addition the formal approval by every EU country.

ANNUAL BUDGET

Each year of the MFF period, Commission, Parliament and Council negotiate the seize and allocation of the annual budget.

The annual budget can be managed by: both Commission and national governors, Commission only, other institutions both inside or outside EU. This mainly deepens on the nature of the funding.

Presenting the budget

The annual budget is agreed by Parliament and Council one year before its implementation.

Budgetary Procedure

By **July**, the Commission receives from EU institutions their estimates.

By **September**, the Commission presents to Council and Parliament the first draft of the annual budget – taking into consideration the MFF and budgeting guidelines for the incoming year.

By **October**, the Council express its position on the proposal from the Commission followed after 42 days by the Parliament

Specific circumstances are when the Council and Parliament disagree on the Commission's proposal. In that case, a special Committee represented by both legislating bodies tries to reach a common position (i.e., Joint Text) that will be voted by both Parliament and Council in separate occasions.

- If the Joint Text is approved by both bodies, the budget is adopted by the Parliament
- If the Council rejects the Joint Text, the Parliament might adopt the budget but only upon specific majority
- If both Council and Parliament reject the Joint Text, the Commission needs to work on a new draft

Under specific circumstances, the budget can be amended during the year of implementation (i.e., unforeseen and urgent/critical events) by a proposal from the Commission. The approval of the amendment follows the aforementioned budgetary procedure.