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***The importance of subsidiarity and proportionality as foreseen in the
Treaties***

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Selecting the issue of subsidiarity for our discussion has been a good choice in the context of the challenges that await us during difficult electoral campaign next year. But also it is good that we are discussing this issue before our afternoon session on the future of Europe and in the context of citizens involvement in shaping Europe of tomorrow.

But let me right at the beginning thank Reinhold Lopatka, representing Austrian Presidency for his successful efforts in bringing us together, national parliaments and European Parliament to address jointly the biggest challenges faced today by us, Europeans who care about Europe. Indeed it has been a good parliamentary Presidency.

It is also good to see Michael Schneider with whom I have had the pleasure for years to discuss subsidiarity in the context of regional and local levels' role in European integration.

We probably agree that European Institutions, Member States and regions have their own views and visions, not always converging of what subsidiarity and proportionality is or should be about. When we reflect on subsidiarity, we of course have in the back of our heads that European Treaties lay the foundation for different roles and powers of institutions, including national parliaments in the European legislative process, or in more general terms in the European decision making process. Even if those rules exist, we all know that far too often politics enters into this reflection, sometimes abusing the subsidiarity principle.

It also makes sense - when we tend to be critical about European decision making and competences in the context of subsidiarity - to remember that we have world class standards and practices in legislative drafting, impact assessment, transparency, consultations with interests representatives and access to documents. And progress is made constantly - one of the good examples is here the Interinstitutional Agreement on Better-Law Making or indeed the Task Force of which Reinhold spoke.

And, it is of course good to remind ourselves that we, European and national parliamentarians, on the top of our own specific roles and powers, we have also a joint responsibility for ensuring the democratic legitimacy of the process of European integration.

Subsidiarity has been with us as a concept throughout the European integration history, and it is about acting at the most appropriate level of European governance to make and implement policies. I would say that we have a rather mature democratic subsidiarity culture in the EU policy-making. The Commission tests the requirement of subsidiarity and proportionality of any new initiative. It has to justify the proposed measures on the basis of subsidiary principle. Both legislators look carefully into the issue, as well. And, as one can expect, Council has always been sensitive to the subsidiarity and proportionality requirements.

The added value of EU action and the “cost of non-Europe” should be always carefully examined. But we also have to be fully aware that the world is bringing new challenges that increasingly do not respect national, administrative, political, physical borders. What could have been handled at national or even local level some time ago, requires today a European level response.

So we have to have this reflection on subsidiarity and its respect in the context of major global challenges and our citizens call to address them effectively at European level. We could see it during financial, climate change, migration and security challenging periods.

I believe the principle of subsidiarity must be applied today in a more integrated and comprehensive way. And of course its implementation has to respect transparency, including toward national parliaments, in European policy making.

I do not believe we should aim at agreeing on precise definition of what subsidiarity means. Subsidiarity is an indeterminate legal concept. We should always look in a deeply holistic way at the European value added of the proposed action, the necessity of action and the cost of non-action at European level, to provide a legitimacy, if we decide to move forward solutions at EU level.

Let me say that the check on compliance with the principle of subsidiarity is essentially a political question. The three formal conditions of subsidiarity mentioned in the article 5.3 TEU are just a basis to build on. This is why it is so important to strengthen the interaction of the European Parliament with national Parliament to provide legitimacy if we decide to move forward looking for solutions at the European level.

European institutions have developed rules and practices to protect subsidiarity from the early stage of legislation. Every year we have a joint declaration of the European Parliament, the European Commission and the Council on the annual work program, where subsidiarity features high, in line with Interinstitutional Agreement on Better Law Making. As of next year, we will move toward strategic programming and it will be up to us to, hopefully, preserve the same approach. The European Parliament and the Council both recognise the importance of subsidiarity in their rules of procedure and both institutions are committed to take full account of the Commission's impact assessment during the legislative procedure.

Let me mention here as well that European Parliament looks into reasoned opinions with full attention even when their number does not reach the necessary threshold, and each year it produces an annual report on the application of subsidiarity and proportionality, as well as other reports where this principle is addressed.

In this context, I would also like to mention the report on the implementation of the Treaty provisions concerning national Parliaments, of our colleague Paolo Rangel. It

assesses the use of current mechanisms for national Parliaments' participation in the European political process and proposes improvements to those mechanisms, in order to bring national Parliaments closer to the overall integration process.

In the context of subsidiarity related concerns, there is a clear preference from the national Parliaments with regard to the legal form for a new legislation, with your preferred option usually for a Directive. This is because Directives have to be transposed into national legislation and they offer at national level space for debates and awareness raising. However, we also see that it can lead to a lot of gold plating, which can bring risk to the integrity of the single market.

With respect to the Early Warning Mechanism, which is the most important instrument allowing national parliaments a direct influence over the EU legislative process, I would like to recall the increase in the number of reasoned opinions submitted by national parliaments in the past two years as well as the significant increase in the number of opinions received by the Commission within the framework of the political dialogue. And this against the backdrop of a decrease in legislative activity. Although it demonstrates that national Parliaments' participation has evolved in comparison with previous years, and that their interest in EU decision-making has increased, often the factors which lead to reasoned opinions go beyond the subsidiarity dimension. I say this because we can see that national Parliaments have more interest in influencing the content of EU legislation than in identifying cases in which subsidiarity may be an issue.

The remedy to this is a better dialogue between national Parliaments and the European Parliament and more conclusive debates, as well as more clarity on where we want to go together. And I would like to mention that cooperation between national Parliaments and the European Parliament continues to intensify, as for example shown by the new Joint Parliamentary Monitoring Committee for Europol, which started in October 2017.

In these times of the populist threats to Europe, it is justified that national Parliaments ask themselves more than ever about the role they would like to play in

exercising control over their governments, in the Early Warning Mechanism, in dialogue with the European Commission and in interparliamentary cooperation.

But as we know there are a number of tools enabling national Parliaments and citizens to participate in every step of the legislative process, which ensure monitoring of respect for the principles of subsidiarity and proportionality. Therefore, before proposing the creation of even more complex administrative structures and lengthy procedures, full use of these existing tools comes as a natural path to follow. But living in times of populist expansion should make us also more sensitive to the abuse and misuse of subsidiarity. Clearly we should not allow the populist politicians to capture the principle of subsidiarity in bad faith. They use subsidiarity against Europe aiming at dismantling of what we have been building for over more than sixty years.

And let me also say that in times when the EU is struggling to make itself understood by its citizens, we should avoid contributing to further complexity of the policymaking. EU's institutions, national and regional Parliaments, regional and local authorities, civil society, we all aim at using better all existing platforms for dialogue and strengthen efforts improving exchanges of ideas. European elections in May next year provide a perfect vehicle for this.

I am convinced that the subsidiarity system can benefit from enhanced dialogue among national parliaments, between national parliaments and European institutions, from greater intensity of contacts, from more effective sharing of information, from better focusing of our interparliamentary meetings.

Principles of subsidiarity are so basic that nobody can deny their value. The real issue is indeed its implementation, turning it into a practical concept reflecting the EU political values. At the end of the day subsidiarity is about sharing our responsibility for Europe, it is about orchestrating our efforts, identifying and implementing our part of common objectives at each and every level of European governance.

Let me also say, last but not least, when aiming at this sharing of our common responsibility for Europe through implementing subsidiarity we must spare no effort

to avoid making European legislative process more lengthy and burdensome. So I assume that the work of the task force in which national parliaments were involved has been just an opening of a joint work that will make Europe better connected with citizens. At the end, I also have to say that I personally regret that the Commission used for that important Task Force a format that didn't allow the EP to be part of it. But stay assured that European Parliament will always be in favor of subsidiarity aiming at the best possible organization of our common responsibility for Europe.