

Annual Report 2012 on subsidiarity and proportionality (COM(2013)566 final).

**FINAL DOCUMENT APPROVED BY THE COMMITTEE ON EU POLICIES OF ITALY'S
CHAMBER OF DEPUTIES**

The Standing Committee on EU Policies,

having examined the European Commission's "Annual Report 2012 on subsidiarity and proportionality" (COM(2013)566 final);

whereas:

subsidiarity and proportionality should not be treated as mere instruments for the defence of given areas of competence or national interests, but rather as criteria that calibrate the content and form of European regulatory action in relation to the various tiers of government and intermediate social bodies;

considering the dynamic nature of subsidiarity, the Committee on EU Policies deems it appropriate to adopt reasoned opinions, pursuant to Protocol 2, annexed to the Treaty on European Union (TEU) and the Treaty on the Functioning of the European Union (TFEU), also in respect of European legislative proposals whose proposed actions appear inadequate in view of the nature of the issues to be addressed or of the added value to be gained from acting at a European as opposed to a national level;

the use of the early warning system (EWS) by national parliaments is proof that, beyond the different methods applied by individual institutions, the system is eminently political rather than legal-formal in nature. It therefore seems pointless and inappropriate to impose common guidelines or standards for the subsidiarity checks by national parliaments;

the fact that only 70 of the 663 opinions sent by national parliaments to the Commission in 2012 consisted of reasoned opinions relating to the early warning system confirms that most parliaments have no intention of exploiting the EWS to block European decision-making, and prefer to enter into dialogue regarding the merits of European policy decisions and regulations;

Under Protocol 2 each national parliament has the right to check that the principle of subsidiarity is being observed. Mechanisms of coordination among national parliaments for the purposes of what would effectively amount to a collective subsidiarity check, whether these mechanisms are set up within COSAC or within any other forum for inter-parliamentary cooperation, are to be firmly resisted because they would violate the provisions of the Treaties and Protocol 2. Instead, full use should be made of tools such as IPEX for the exchange of information and evaluations, including on questions of subsidiarity;

as part of the early warning mechanism, cooperation between the Chamber of Deputies and regional councils and legislative assemblies should be intensified, notwithstanding the need to give priority to the substantive consideration of European legislative and pre-legislative initiatives;

the Commission's Report shows increased awareness of the need for a proper application of the principles of subsidiarity and proportionality by a number of EU

institutions and bodies, particularly the European Parliament and the Committee of the Regions;

in particular, we take a favourable view of the European Parliament's creation of a new directorate that will not only assess the legislative proposals of the European Commission, but also examine the potential impact of the proposals contained in the Parliament's own legislative reports and consider the costs of inaction by the EU in certain areas. This new approach has the merit of reaffirming the dynamic nature of subsidiarity, which may also entail, where appropriate, giving additional scope of action to the EU, especially in relation to transnational matters;

with regard to the Council, the report confines itself to recalling that the Committee of Permanent Representatives of the Member States (Coreper) monitors compliance with the principles of subsidiarity and proportionality. It fails, however, to offer any recommendations regarding the methods and tools used for this purpose. This is a curious oversight given that the Council, in its capacity as a co-legislator of the EU, is responsible for ensuring compliance with the two principles, especially when it is approving amendments to a proposal from the Commission;

the methods and criteria for determining compliance with the principles of subsidiarity and proportionality need to be improved, also with a view to making it possible for national parliaments to carry out adequate checks within the framework of the early warning mechanism within the restricted period of eight weeks;

for this purpose, the Commission, pursuant to article 5 of the Protocol 2, should provide more detailed and exhaustive arguments on subsidiarity and proportionality when advancing proposals, and both the European Parliament and the Council should likewise provide reasoned arguments for any amendments that they adopt;

for the sake of compliance with the principle of proportionality, priority importance must be afforded to the implementation of the Commission's initiatives to minimise the regulatory burden on SMEs;

recognising also that the present final document must be transmitted to the European Parliament and the European Commission as part of informal political dialogue;

does hereby express a

FAVOURABLE OPINION

with the following conditions:

1) the institutions of the European Union must modulate their activities in a manner that better reflects the dynamic nature of the principle of subsidiarity, which may entail increasing the scope of EU powers where circumstances so demand, or, on the contrary, restricting or ceasing action altogether when it is no longer justified;

2) we deem unacceptable and in conflict with the Treaties any initiatives to set up, also within inter-parliamentary cooperation fora, mechanisms of coordination among national parliaments for the purposes of what would amount to a collective subsidiarity check and aimed at reaching the thresholds envisaged under the early warning system;

3) the proposals that have been put forward in view of a forthcoming amendment of the Treaties to lower the thresholds are likewise unacceptable, as lower thresholds might encourage parliaments to use subsidiarity checks as a means of blocking or slowing down the legislative action of the European Union;

4) the European Commission and the other relevant bodies of the EU should provide more detailed arguments to demonstrate that their legislative proposals comply with the principles of subsidiarity and proportionality and, pursuant to Protocol 2, provide qualitative and quantitative indicators to this end;

5) the Council of the European Union should develop specific impact-assessment tools such as those used by the Commission and the European Parliament;

6) the impact-assessment methods used by the Commission, the European Parliament and, eventually, by the Council should be comparable and compatible, also for the sake of helping national parliaments to check compliance with the principles of subsidiarity and proportionality;

7) consistent with the principle of proportionality, the Commission, the European Parliament and the Council must rigorously abide by the principle of “think small first” and reduce the regulatory burden on SMEs to an absolute minimum;

8) action must be taken as soon as possible to address the growing need to further strengthen relations between the Commission and national parliaments in furtherance of popular participation and out of respect for the democratic principle. Such action would demonstrate the effectiveness of past interactions which would be meaningless unless citizens feel their interests have been represented.