



## EUROPEAN UNION INSTITUTIONS AND STRUCTURE

The three main institutions of the European Union are the European Parliament, European Commission and the Council of the European Union. The composition and key roles of these institutions are summarised below. Other EU institutions are described at the bottom of the page.

### European Parliament

- Composed of 626 directly elected members.
- Examines, amends and approves EU legislation in areas where it has powers of co-decision (mainly first pillar).
- Has a consultative role in matters that fall under the second and third pillar.
- Approves the EU budget.
- Exercises democratic control over other institutions.
- Members sit in political groups, not national blocs.
- Meetings open to public observers.

### Council of the European Union

- Composed of representatives of governments of the 15 Member States.
- Examines, amends and adopts EU legislation.
- Makes decisions either unanimously (mainly second and third pillar issues) or by qualified majority voting (mainly first pillar) ie each Member State has a different number of votes related to population size.
- Council acts on behalf of the EU in making international agreements.
- Meets in private.

### European Commission

- Composed of 20 Commissioners and 20,000 staff.
- Right to initiate and draft proposals for new EU legislation
  - Only institution with this right on Community matters (first pillar)
  - Shares this right with Member States on matters that fall under the second and third pillar
  - Council and Parliament can ask the Commission to put forward a proposal.
- Responsible for implementation of EU law.
- Ensures that EU legislation is implemented by Member States.
- Acts independently of governments of Member States.

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### Other EU Institutions:

<b>Court of Justice:</b>	settles disputes over how to interpret and apply EU legislation
<b>European Court of Auditors:</b>	controls the way EU money is spent
<b>The European Central Bank:</b>	in charge of managing the single currency; decides on European monetary policy eg setting interest rates. Main objective is to ensure price stability
<b>European Investment Bank:</b>	lends money to investment projects of European interest
<b>The Economic and Social Committee:</b>	advisory body representing interest groups
<b>The Committee of the Regions:</b>	represents local and regional authorities

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## The EU Pillar System:

One of the most confusing elements of the way decisions are made in the European Union is the 'pillar system'. Each pillar refers to a different area of policy in which the European Union has a competence to act. The method of decision-making used is different in each pillar. The pillar system is summarised as follows:

First Pillar	Second Pillar	Third Pillar
<i>The Community dimension, ie Union citizenship, Community policies, Economic and Monetary Union, etc.</i>	<i>Common foreign and security policy</i>	<i>Police and judicial cooperation in criminal matters.</i>
The first pillar uses the 'Community method':	The second and third pillar use the 'Intergovernmental method':	
<ul style="list-style-type: none"><li>• Commission monopoly of the right of initiative;</li><li>• widespread use of qualified majority voting in the Council;</li><li>• an active role for the European Parliament;</li><li>• uniform interpretation of Community law by the Court of Justice.</li></ul>	<ul style="list-style-type: none"><li>• the Commission's right of initiative is shared with the Member States or confined to specific areas of activity;</li><li>• the Council generally acts unanimously;</li><li>• the European Parliament has a purely consultative role;</li><li>• the Court of Justice plays only a minor role.</li></ul>	
	<i>Note: The Treaty of Amsterdam has transferred some of the fields covered by the old third pillar to the first pillar (for example the free movement of persons).</i>	

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### Questions to think about:

#### Which institution is most democratic?

How transparent are the proceedings?

Who do the institutions represent and who are they accountable to?

How can citizens participate in European processes and/or try to influence the decision-making process?

#### Which method is most democratic, the Community method or the intergovernmental method?

Why should different policy areas be subject to different decision-making procedures?

#### Do different institutional arrangements and decision-making procedures result in different outcomes in terms of policy?

#### How effective do you think the current system will be in an enlarged Union?

#### What changes to the institutions and decision-making procedures would make them more democratic and closer to citizens?

Suggestions from the Laeken Declaration:

- direct election of the President of the Commission;
- extension of co-decision so that Parliament has more power in more areas;
- Council meetings to be open to the public.