

Treaty Series No. 7 (2010)

The Treaty of Lisbon



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amending the Treaty Establishing the European
Union and the Treaty Establishing the European
Community,

including the Protocols and Annexes,
and Final Act with Declarations

Lisbon, 13 December 2007

*Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
July 2010*

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**TREATY OF LISBON AMENDING THE TREATY ON EUROPEAN UNION
AND THE TREATY ESTABLISHING THE EUROPEAN COMMUNITY**

PREAMBLE

HIS MAJESTY THE KING OF THE BELGIANS,
THE PRESIDENT OF THE REPUBLIC OF BULGARIA,
THE PRESIDENT OF THE CZECH REPUBLIC,
HER MAJESTY THE QUEEN OF DENMARK,
THE PRESIDENT OF THE FEDERAL REPUBLIC OF GERMANY,
THE PRESIDENT OF THE REPUBLIC OF ESTONIA,
THE PRESIDENT OF IRELAND,
THE PRESIDENT OF THE HELLENIC REPUBLIC,
HIS MAJESTY THE KING OF SPAIN,
THE PRESIDENT OF THE FRENCH REPUBLIC,
THE PRESIDENT OF THE ITALIAN REPUBLIC,
THE PRESIDENT OF THE REPUBLIC OF CYPRUS,
THE PRESIDENT OF THE REPUBLIC OF LATVIA,
THE PRESIDENT OF THE REPUBLIC OF LITHUANIA,
HIS ROYAL HIGHNESS THE GRAND DUKE OF LUXEMBOURG,
THE PRESIDENT OF THE REPUBLIC OF HUNGARY,
THE PRESIDENT OF MALTA,
HER MAJESTY THE QUEEN OF THE NETHERLANDS,
THE FEDERAL PRESIDENT OF THE REPUBLIC OF AUSTRIA,
THE PRESIDENT OF THE REPUBLIC OF POLAND,

THE PRESIDENT OF THE PORTUGUESE REPUBLIC,

THE PRESIDENT OF ROMANIA,

THE PRESIDENT OF THE REPUBLIC OF SLOVENIA,

THE PRESIDENT OF THE SLOVAK REPUBLIC,

THE PRESIDENT OF THE REPUBLIC OF FINLAND,

THE GOVERNMENT OF THE KINGDOM OF SWEDEN,

HER MAJESTY THE QUEEN OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND,

DESIRING to complete the process started by the Treaty of Amsterdam¹ and by the Treaty of Nice² with a view to enhancing the efficiency and democratic legitimacy of the Union and to improving the coherence of its action,

HAVE RESOLVED to amend the Treaty on European Union³, the Treaty establishing the European Community⁴ and the Treaty establishing the European Atomic Energy Community⁵, and to this end have designated as their Plenipotentiaries:

HIS MAJESTY THE KING OF THE BELGIANS

Guy VERHOFSTADT
Prime Minister

Karel de GUCHT
Minister of Foreign Affairs

THE PRESIDENT OF THE REPUBLIC OF BULGARIA

Sergei STANISHEV
Prime Minister

¹ Treaty Series No.12 (1999) Cm 4434

² Treaty Series No. 22 (2003) Cm 5879

³ Treaty Series No. 12 (1994) Cm 2485 and a consolidated version in Treaty Series No.52 (1999) Cm 4434

⁴ Consolidated versions in Treaty Series No.52 (1999) Cm 4434 and Treaty Series No.47 (1988) Cm 455

⁵ Treaty Series No.1 (1933) Cmnd 5179

Ivailo KALFIN
Minister of Foreign Affairs

THE PRESIDENT OF THE CZECH REPUBLIC

Mirek TOPOLÁNEK
Prime Minister

Karel SCHWARZENBERG
Minister of Foreign Affairs

HER MAJESTY THE QUEEN OF DENMARK

Anders Fogh RASMUSSEN
Prime Minister

Per Stig MØLLER
Minister of Foreign Affairs

THE PRESIDENT OF THE FEDERAL REPUBLIC OF GERMANY

Angela MERKEL
Federal Chancellor

Federal Minister of Foreign Affairs and Vice-Chancellor

THE PRESIDENT OF THE REPUBLIC OF ESTONIA

Frank-Walter STEINMEIER
Prime Minister

Urmas PAET
Minister of Foreign Affairs

THE PRESIDENT OF IRELAND

Bertie AHERN
Prime Minister (Taoiseach)

Dermot AHERN
Minister of Foreign Affairs

THE PRESIDENT OF THE HELLENIC REPUBLIC

Konstantinos KARAMANLIS
Prime Minister

Theodora BAKOYANNIS
Minister of Foreign Affairs

HIS MAJESTY THE KING OF SPAIN

José Luis ZAPATERO
President of the Government

Miguel Angel MORATINOS
Minister of Foreign Affairs and Cooperation

THE PRESIDENT OF THE FRENCH REPUBLIC

Nicolas SARKOSY
President

François FILLON
Prime Minister

Bernard KOUCHNER
Minister of Foreign and European Affairs

THE PRESIDENT OF THE ITALIAN REPUBLIC

Romani PRODI
President of the Council of Ministers

Massimo D'ALEMA
Vice-President and Minister of Foreign Affairs

THE PRESIDENT OF THE REPUBLIC OF CYPRUS

Tassos PAPADOPOULOS
President

Erato KOZAKOU-MARCOULLIS
Minister of Foreign Affairs

THE PRESIDENT OF THE REPUBLIC OF LATVIA

Valdis ZATLERS
President

Aigars KALVITIS
Prime Minister

Maris RIEKSTINS
Minister of Foreign Affairs

THE PRESIDENT OF THE REPUBLIC OF LITHUANIA

Valdas ADAMKUS
President

Gediminas KIRKILAS
Prime Minister

Petras VAITIEKUNAS
Minister of Foreign Affairs

HIS ROYAL HIGHNESS THE GRAND DUKE OF LUXEMBOURG

Jean-Claude JUNCKER
Prime Minister, Minister of State

Jean ASSELBORN
Minister of Foreign Affairs and Immigration

THE PRESIDENT OF THE REPUBLIC OF HUNGARY

Ferenc GYURCSÁNY
Prime Minister

Dr. Kinga GÖNCZ
Minister of Foreign Affairs

THE PRESIDENT OF MALTA

The Hon. Lawrence GONZI
Prime Minister

The Hon. Michael FRENDU
Minister of Foreign Affairs

HER MAJESTY THE QUEEN OF THE NETHERLANDS

Dr J.P. BALKENENDE
Prime Minister

M.J.M. VERHAGEN
Minister of Foreign Affairs

THE FEDERAL PRESIDENT OF THE REPUBLIC OF AUSTRIA

Dr Alfred GUSENBAUER
Federal Chancellor

Dr Ursula PLASSNIK
Federal Minister for European and International Affairs

THE PRESIDENT OF THE REPUBLIC OF POLAND

Donald TUSK
Prime Minister

Radoslaw SIKORSKI
Minister of Foreign Affairs

THE PRESIDENT OF THE PORTUGUESE REPUBLIC

José SÓCRATES
Prime Minister

Luis AMADO
Minister of State and Foreign Affairs

THE PRESIDENT OF ROMANIA,

Traian BASESCU
President

Călin Popescu-TĂRICEANU
Prime Minister

Adrian-Mihai CIOROIANU
Minister of Foreign Affairs

THE PRESIDENT OF THE REPUBLIC OF SLOVENIA

Janez JANSKA
President of the Government

Dimitrij RUPEL
Minister of Foreign Affairs

THE PRESIDENT OF THE SLOVAK REPUBLIC

Robert FICO
Prime Minister

Ján KUBIS
Minister of Foreign Affairs

THE PRESIDENT OF THE REPUBLIC OF FINLAND

Matti VANHANEN
Prime Minister

Ilkka KANERVA
Minister of Foreign Affairs

THE GOVERNMENT OF THE KINGDOM OF SWEDEN

Fredrik REINFELDT
Prime Minister

Cecilia MALMSTRÖM
Minister for European Affairs

HER MAJESTY THE QUEEN OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND

Gordon BROWN
Prime Minister

David MILIBAND
Secretary of State for Foreign and Commonwealth Affairs

WHO, having exchanged their full powers, found in good and due form,

HAVE AGREED AS FOLLOWS:

AMENDMENTS TO THE TREATY ON EUROPEAN UNION AND TO THE
TREATY ESTABLISHING THE EUROPEAN COMMUNITY

ARTICLE 1

The Treaty on European Union shall be amended in accordance with the provisions of this Article.

PREAMBLE

- 1) The preamble shall be amended as follows:
 - (a) the following text shall be inserted as the second recital:

"DRAWING INSPIRATION from the cultural, religious and humanist inheritance of Europe, from which have developed the universal values of the inviolable and inalienable rights of the human person, freedom, democracy, equality and the rule of law,";

- (b) In the seventh, which shall become the eighth, recital, the words "of this Treaty" shall be replaced by "of this Treaty and of the Treaty on the Functioning of the European Union,";
- (c) In the eleventh, which shall become the twelfth, recital, the words "of this Treaty" shall be replaced by "of this Treaty and of the Treaty on the Functioning of the European Union,".

GENERAL PROVISIONS

2) Article 1 shall be amended as follows:

- (a) the following words shall be inserted at the end of the first paragraph:

"on which the Member States confer competences to attain objectives they have in common.";

- (b) the third paragraph shall be replaced by the following:

"The Union shall be founded on the present Treaty and on the Treaty on the Functioning of the European Union (hereinafter referred to as "the Treaties"). Those two Treaties shall have the same legal value. The Union shall replace and succeed the European Community.".

3) The following Article 1a shall be inserted:

"ARTICLE 1a

The Union is founded on the values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities. These values are common to the Member States in a society in which pluralism, non-discrimination, tolerance, justice, solidarity and equality between women and men prevail.".

4) Article 2 shall be replaced by the following:

"ARTICLE 2

1. The Union's aim is to promote peace, its values and the well-being of its peoples.

2. The Union shall offer its citizens an area of freedom, security and justice without internal frontiers, in which the free movement of persons is ensured in conjunction with appropriate measures with respect to external border controls, asylum, immigration and the prevention and combating of crime.

3. The Union shall establish an internal market. It shall work for the sustainable development of Europe based on balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress, and a high level of protection and improvement of the quality of the environment. It shall promote scientific and technological advance.

It shall combat social exclusion and discrimination, and shall promote social justice and protection, equality between women and men, solidarity between generations and protection of the rights of the child.

It shall promote economic, social and territorial cohesion, and solidarity among Member States.

It shall respect its rich cultural and linguistic diversity, and shall ensure that Europe's cultural heritage is safeguarded and enhanced.

4. The Union shall establish an economic and monetary union whose currency is the euro.

5. In its relations with the wider world, the Union shall uphold and promote its values and interests and contribute to the protection of its citizens. It shall contribute to peace, security, the sustainable development of the Earth, solidarity and mutual respect among peoples, free and fair trade, eradication of poverty and the protection of human rights, in particular the rights of the child, as well as to the strict observance and the development of international law, including respect for the principles of the United Nations Charter.

6. The Union shall pursue its objectives by appropriate means commensurate with the competences which are conferred upon it in the Treaties."

5) Article 3 shall be repealed, and the following Article 3a shall be inserted:

"ARTICLE 3a

1. In accordance with Article 3b, competences not conferred upon the Union in the Treaties remain with the Member States.

2. The Union shall respect the equality of Member States before the Treaties as well as their national identities, inherent in their fundamental structures, political and constitutional, inclusive of regional and local self-government. It shall respect their essential State functions, including ensuring the territorial integrity of the State, maintaining law and order and safeguarding national security. In particular, national security remains the sole responsibility of each Member State.

3. Pursuant to the principle of sincere cooperation, the Union and the Member States shall, in full mutual respect, assist each other in carrying out tasks which flow from the Treaties.

The Member States shall take any appropriate measure, general or particular, to ensure fulfilment of the obligations arising out of the Treaties or resulting from the acts of the institutions of the Union.

The Member States shall facilitate the achievement of the Union's tasks and refrain from any measure which could jeopardise the attainment of the Union's objectives."

- 6) The following Article 3b shall be inserted, replacing Article 5 of the Treaty establishing the European Community:

"ARTICLE 3b

1. The limits of Union competences are governed by the principle of conferral. The use of Union competences is governed by the principles of subsidiarity and proportionality.

2. Under the principle of conferral, the Union shall act only within the limits of the competences conferred upon it by the Member States in the Treaties to attain the objectives set out therein. Competences not conferred upon the Union in the Treaties remain with the Member States.

3. Under the principle of subsidiarity, in areas which do not fall within its exclusive competence, the Union shall act only if and insofar as the objectives of the proposed action cannot be sufficiently achieved by the Member States, either at central level or at regional and local level, but can rather, by reason of the scale or effects of the proposed action, be better achieved at Union level.

The institutions of the Union shall apply the principle of subsidiarity as laid down in the Protocol on the application of the principles of subsidiarity and proportionality. National Parliaments ensure compliance with the principle of subsidiarity in accordance with the procedure set out in that Protocol.

4. Under the principle of proportionality, the content and form of Union action shall not exceed what is necessary to achieve the objectives of the Treaties.

The institutions of the Union shall apply the principle of proportionality as laid down in the Protocol on the application of the principles of subsidiarity and proportionality."

- 7) Articles 4 and 5 shall be repealed.
- 8) Article 6 shall be replaced by the following:

"ARTICLE 6

1. The Union recognises the rights, freedoms and principles set out in the Charter of Fundamental Rights of the European Union of 7 December 2000, as adapted at Strasbourg, on 12 December 2007¹, which shall have the same legal value as the Treaties.

The provisions of the Charter shall not extend in any way the competences of the Union as defined in the Treaties.

The rights, freedoms and principles in the Charter shall be interpreted in accordance with the general provisions in Title VII of the Charter governing its interpretation and application and with due regard to the explanations referred to in the Charter, that set out the sources of those provisions.

2. The Union shall accede to the European Convention for the Protection of Human Rights and Fundamental Freedoms². Such accession shall not affect the Union's competences as defined in the Treaties.

3. Fundamental rights, as guaranteed by the European Convention for the Protection of Human Rights and Fundamental Freedoms and as they result from the constitutional traditions common to the Member States, shall constitute general principles of the Union's law."

- 9) Article 7 shall be amended as follows:

¹ Official Journal of the European Union, 18/12/2000 (C364/1)

² Treaty Series No.71(1953) Cmd 8969

- (a) throughout the Article, the word "assent" shall be replaced by "consent", the reference to breach "of principles mentioned in Article 6(1)" shall be replaced by a reference to breach "of the values referred to in Article 1a", the words "of this Treaty" shall be replaced by "of the Treaties" and the word "Commission" shall be replaced by "European Commission";
- (b) at the end of the first sentence of the first subparagraph of paragraph 1, the words "and address appropriate recommendations to that State" shall be deleted; at the end of the last sentence, the words "and, acting in accordance with the same procedure, may call on independent persons to submit within a reasonable time limit a report on the situation in the Member State in question" shall be replaced by "and may address recommendations to it, acting in accordance with the same procedure.";
- (c) in paragraph 2, the words "The Council, meeting in the composition of the Heads of State or Government and acting by unanimity" shall be replaced by "The European Council, acting by unanimity" and the words "the government of the Member State in question" shall be replaced by "the Member State in question";
- (d) paragraphs 5 and 6 shall be replaced by the following:

"5. The voting arrangements applying to the European Parliament, the European Council and the Council for the purposes of this Article are laid down in Article 309 of the Treaty on the Functioning of the European Union."

- 10) The following new Article 7a shall be inserted:

"ARTICLE 7a

- 1. The Union shall develop a special relationship with neighbouring countries, aiming to establish an area of prosperity and good neighbourliness, founded on the values of the Union and characterised by close and peaceful relations based on cooperation.
- 2. For the purposes of paragraph 1, the Union may conclude specific agreements with the countries concerned. These agreements may contain reciprocal rights and obligations as well as the possibility of undertaking activities jointly. Their implementation shall be the subject of periodic consultation."

- 11) The provisions of Title II shall be incorporated into the Treaty establishing the European Community, as amended elsewhere, which shall become the Treaty on the Functioning of the European Union.

DEMOCRATIC PRINCIPLES

12) Title II and Article 8 shall be replaced by the following new heading and new Articles 8 to 8 C:

"TITLE II PROVISIONS ON DEMOCRATIC PRINCIPLES

ARTICLE 8

In all its activities, the Union shall observe the principle of the equality of its citizens, who shall receive equal attention from its institutions, bodies, offices and agencies. Every national of a Member State shall be a citizen of the Union. Citizenship of the Union shall be additional to and not replace national citizenship.

ARTICLE 8 A

1. The functioning of the Union shall be founded on representative democracy.
2. Citizens are directly represented at Union level in the European Parliament.

Member States are represented in the European Council by their Heads of State or Government and in the Council by their governments, themselves democratically accountable either to their national Parliaments, or to their citizens.

3. Every citizen shall have the right to participate in the democratic life of the Union. Decisions shall be taken as openly and as closely as possible to the citizen.
4. Political parties at European level contribute to forming European political awareness and to expressing the will of citizens of the Union.

ARTICLE 8 B

1. The institutions shall, by appropriate means, give citizens and Representative associations the opportunity to make known and publicly exchange their views in all areas of Union action.

2. The institutions shall maintain an open, transparent and regular dialogue with representative associations and civil society.

3. The European Commission shall carry out broad consultations with parties concerned in order to ensure that the Union's actions are coherent and transparent.

4. Not less than one million citizens who are nationals of a significant number of Member States may take the initiative of inviting the European Commission, within the framework of its powers, to submit any appropriate proposal on matters where citizens consider that a legal act of the Union is required for the purpose of implementing the Treaties.

The procedures and conditions required for such a citizens' initiative shall be determined in accordance with the first paragraph of Article 21 of the Treaty on the Functioning of the European Union.

ARTICLE 8 C

National Parliaments contribute actively to the good functioning of the Union:

- (a) through being informed by the institutions of the Union and having draft legislative acts of the Union forwarded to them in accordance with the Protocol on the role of national Parliaments in the European Union;
- (b) by seeing to it that the principle of subsidiarity is respected in accordance with the procedures provided for in the Protocol on the application of the principles of subsidiarity and proportionality;
- (c) by taking part, within the framework of the area of freedom, security and justice, in the evaluation mechanisms for the implementation of the Union policies in that area, in accordance with Article 61 C of the Treaty on the Functioning of the European Union, and through being involved in the political monitoring of Europol and the evaluation of Eurojust's activities in accordance with Articles 69 G and 69 D of that Treaty;
- (d) by taking part in the revision procedures of the Treaties, in accordance with Article 48 of this Treaty;
- (e) by being notified of applications for accession to the Union, in accordance with Article 49 of this Treaty;

- (f) by taking part in the inter-parliamentary cooperation between national Parliaments and with the European Parliament, in accordance with the Protocol on the role of national Parliaments in the European Union."

INSTITUTIONS

13) The provisions of Title III shall be repealed. Title III shall be replaced by the following heading:

"TITLE III
PROVISIONS ON THE INSTITUTIONS".

14) Article 9 shall be replaced by the following:

"ARTICLE 9

1. The Union shall have an institutional framework which shall aim to promote its values, advance its objectives, serve its interests, those of its citizens and those of the Member States, and ensure the consistency, effectiveness and continuity of its policies and actions.

The Union's institutions shall be:

- the European Parliament,
- the European Council,
- the Council,
- the European Commission (hereinafter referred to as "the Commission"),
- the Court of Justice of the European Union,
- the European Central Bank,
- the Court of Auditors.

2. Each institution shall act within the limits of the powers conferred on it in the Treaties, and in conformity with the procedures, conditions and objectives set out in them. The institutions shall practice mutual sincere cooperation.

3. The provisions relating to the European Central Bank and the Court of Auditors and detailed provisions on the other institutions are set out in the Treaty on the Functioning of the European Union.

4. The European Parliament, the Council and the Commission shall be assisted by an Economic and Social Committee and a Committee of the Regions acting in an advisory capacity."

15) An Article 9 A shall be inserted:

"ARTICLE 9 A

1. The European Parliament shall, jointly with the Council, exercise legislative and budgetary functions. It shall exercise functions of political control and consultation as laid down in the Treaties. It shall elect the President of the Commission.

2. The European Parliament shall be composed of representatives of the Union's citizens. They shall not exceed seven hundred and fifty in number, plus the President. Representation of citizens shall be degressively proportional, with a minimum threshold of six members per Member State. No Member State shall be allocated more than ninety-six seats.

The European Council shall adopt by unanimity, on the initiative of the European Parliament and with its consent, a decision establishing the composition of the European Parliament, respecting the principles referred to in the first subparagraph.

3. The members of the European Parliament shall be elected for a term of five years by direct universal suffrage in a free and secret ballot.

4. The European Parliament shall elect its President and its officers from among its members."

16) An Article 9 B shall be inserted:

"ARTICLE 9 B

1. The European Council shall provide the Union with the necessary impetus for its development and shall define the general political directions and priorities thereof. It shall not exercise legislative functions.

2. The European Council shall consist of the Heads of State or Government of the Member States, together with its President and the President of the Commission. The High Representative of the Union for Foreign Affairs and Security Policy shall take part in its work.

3. The European Council shall meet twice every six months, convened by its President. When the agenda so requires, the members of the European Council

may decide each to be assisted by a minister and, in the case of the President of the Commission, by a member of the Commission. When the situation so requires, the President shall convene a special meeting of the European Council.

4. Except where the Treaties provide otherwise, decisions of the European Council shall be taken by consensus.

5. The European Council shall elect its President, by a qualified majority, for a term of two and a half years, renewable once. In the event of an impediment or serious misconduct, the European Council can end the President's term of office in accordance with the same procedure.

6. The President of the European Council:

- (a) shall chair it and drive forward its work;
- (b) shall ensure the preparation and continuity of the work of the European Council in cooperation with the President of the Commission, and on the basis of the work of the General Affairs Council;
- (c) shall endeavour to facilitate cohesion and consensus within the European Council;
- (d) shall present a report to the European Parliament after each of the meetings of the European Council.

The President of the European Council shall, at his level and in that capacity, ensure the external representation of the Union on issues concerning its common foreign and security policy, without prejudice to the powers of the High Representative of the Union for Foreign Affairs and Security Policy.

The President of the European Council shall not hold a national office."

17) An Article 9 C shall be inserted:

"ARTICLE 9 C

1. The Council shall, jointly with the European Parliament, exercise legislative and budgetary functions. It shall carry out policy-making and coordinating functions as laid down in the Treaties.

2. The Council shall consist of a representative of each Member State at ministerial level, who may commit the government of the Member State in question and cast its vote.

3. The Council shall act by a qualified majority except where the Treaties provide otherwise.

4. As from 1 November 2014, a qualified majority shall be defined as at least 55 % of the members of the Council, comprising at least fifteen of them and representing Member States comprising at least 65 % of the population of the Union.

A blocking minority must include at least four Council members, failing which the qualified majority shall be deemed attained.

The other arrangements governing the qualified majority are laid down in Article 205(2) of the Treaty on the Functioning of the European Union.

5. The transitional provisions relating to the definition of the qualified majority which shall be applicable until 31 October 2014 and those which shall be applicable from 1 November 2014 to 31 March 2017 are laid down in the Protocol on transitional provisions.

6. The Council shall meet in different configurations, the list of which shall be adopted in accordance with Article 201b of the Treaty on the Functioning of the European Union.

The General Affairs Council shall ensure consistency in the work of the different Council configurations. It shall prepare and ensure the follow-up to meetings of the European Council, in liaison with the President of the European Council and the Commission.

The Foreign Affairs Council shall elaborate the Union's external action on the basis of strategic guidelines laid down by the European Council and ensure that the Union's action is consistent.

7. A Committee of Permanent Representatives of the Governments of the Member States shall be responsible for preparing the work of the Council.

8. The Council shall meet in public when it deliberates and votes on a draft legislative act. To this end, each Council meeting shall be divided into two parts, dealing respectively with deliberations on Union legislative acts and non-legislative activities.

9. The Presidency of Council configurations, other than that of Foreign Affairs, shall be held by Member State representatives in the Council on the basis of equal rotation, in accordance with the conditions established in accordance with Article 201b of the Treaty on the Functioning of the European Union."

- 18) An Article 9 D shall be inserted:

"ARTICLE 9 D

1. The Commission shall promote the general interest of the Union and take appropriate initiatives to that end. It shall ensure the application of the Treaties, and of measures adopted by the institutions pursuant to them. It shall oversee the application of Union law under the control of the Court of Justice of the European Union. It shall execute the budget and manage programmes. It shall exercise coordinating, executive and management functions, as laid down in the Treaties. With the exception of the common foreign and security policy, and other cases provided for in the Treaties, it shall ensure the Union's external representation. It shall initiate the Union's annual and multiannual programming with a view to achieving interinstitutional agreements.

2. Union legislative acts may only be adopted on the basis of a Commission proposal, except where the Treaties provide otherwise. Other acts shall be adopted on the basis of a Commission proposal where the Treaties so provide.

3. The Commission's term of office shall be five years.

The members of the Commission shall be chosen on the ground of their general competence and European commitment from persons whose independence is beyond doubt.

In carrying out its responsibilities, the Commission shall be completely independent. Without prejudice to Article 9 E(2), the members of the Commission shall neither seek nor take instructions from any Government or other institution, body, office or entity. They shall refrain from any action incompatible with their duties or the performance of their tasks.

4. The Commission appointed between the date of entry into force of the Treaty of Lisbon and 31 October 2014 shall consist of one national of each Member State, including its President and the High Representative of the Union for Foreign Affairs and Security Policy who shall be one of its Vice-Presidents.

5. As from 1 November 2014, the Commission shall consist of a number of members, including its President and the High Representative of the Union for Foreign Affairs and Security Policy, corresponding to two thirds of the number of Member States, unless the European Council, acting unanimously, decides to alter this number.

The members of the Commission shall be chosen from among the nationals of the Member States on the basis of a system of strictly equal rotation between the Member States, reflecting the demographic and geographical range of all the

Member States. This system shall be established unanimously by the European Council in accordance with Article 211a of the Treaty on the Functioning of the European Union.

6. The President of the Commission shall:
 - (a) lay down guidelines within which the Commission is to work;
 - (b) decide on the internal organisation of the Commission, ensuring that it acts consistently, efficiently and as a collegiate body;
 - (c) appoint Vice-Presidents, other than the High Representative of the Union for Foreign Affairs and Security Policy, from among the members of the Commission.

A member of the Commission shall resign if the President so requests. The High Representative of the Union for Foreign Affairs and Security Policy shall resign, in accordance with the procedure set out in Article 9 E(1), if the President so requests.

7. Taking into account the elections to the European Parliament and after having held the appropriate consultations, the European Council, acting by a qualified majority, shall propose to the European Parliament a candidate for President of the Commission. This candidate shall be elected by the European Parliament by a majority of its component members. If he does not obtain the required majority, the European Council, acting by a qualified majority, shall within one month propose a new candidate who shall be elected by the European Parliament following the same procedure.

The Council, by common accord with the President-elect, shall adopt the list of the other persons whom it proposes for appointment as members of the Commission. They shall be selected, on the basis of the suggestions made by Member States, in accordance with the criteria set out in paragraph 3, second subparagraph, and paragraph 5, second subparagraph.

The President, the High Representative of the Union for Foreign Affairs and Security Policy and the other members of the Commission shall be subject as a body to a vote of consent by the European Parliament. On the basis of this consent the Commission shall be appointed by the European Council, acting by a qualified majority.

8. The Commission, as a body, shall be responsible to the European Parliament. In accordance with Article 201 of the Treaty on the Functioning of the European Union, the European Parliament may vote on a motion of censure of the Commission. If such a motion is carried, the members of the Commission

shall resign as a body and the High Representative of the Union for Foreign Affairs and Security Policy shall resign from the duties that he carries out in the Commission."

- 19) The following new Article 9 E shall be inserted:

"ARTICLE 9 E

1. The European Council, acting by a qualified majority, with the agreement of the President of the Commission, shall appoint the High Representative of the Union for Foreign Affairs and Security Policy. The European Council may end his term of office by the same procedure.

2. The High Representative shall conduct the Union's common foreign and security policy. He shall contribute by his proposals to the development of that policy, which he shall carry out as mandated by the Council. The same shall apply to the common security and defence policy.

3. The High Representative shall preside over the Foreign Affairs Council.

4. The High Representative shall be one of the Vice-Presidents of the Commission. He shall ensure the consistency of the Union's external action. He shall be responsible within the Commission for responsibilities incumbent on it in external relations and for coordinating other aspects of the Union's external action. In exercising these responsibilities within the Commission, and only for these responsibilities, the High Representative shall be bound by Commission procedures to the extent that this is consistent with paragraphs 2 and 3."

- 20) An Article 9 F shall be inserted:

"ARTICLE 9 F

1. The Court of Justice of the European Union shall include the Court of Justice, the General Court and specialised courts. It shall ensure that in the interpretation and application of the Treaties the law is observed.

Member States shall provide remedies sufficient to ensure effective legal protection in the fields covered by Union law.

2. The Court of Justice shall consist of one judge from each Member State. It shall be assisted by Advocates-General.

The General Court shall include at least one judge per Member State.

The judges and the Advocates-General of the Court of Justice and the judges of the General Court shall be chosen from persons whose independence is beyond doubt and who satisfy the conditions set out in Articles 223 and 224 of the Treaty on the Functioning of the European Union. They shall be appointed by common accord of the governments of the Member States for six years. Retiring judges and Advocates-General may be reappointed.

3. The Court of Justice of the European Union shall, in accordance with the Treaties:

- (a) rule on actions brought by a Member State, an institution or a natural or legal person;
- (b) give preliminary rulings, at the request of courts or tribunals of the Member States, on the interpretation of Union law or the validity of acts adopted by the institutions;
- (c) rule in other cases provided for in the Treaties."

21) The provisions of Title IV shall be incorporated into the Treaty establishing the European Atomic Energy Community, as amended elsewhere.

ENHANCED COOPERATION

22) Title IV shall take over the heading of Title VII, "PROVISIONS ON ENHANCED COOPERATION" and Articles 27 A to 27 E, Articles 40 to 40b and Articles 43 to 45 shall be replaced by the following Article 10, which shall also replace Articles 11 and 11a of the Treaty establishing the European Community. These same articles shall also be replaced by Articles 280 A to 280 I of the Treaty on the Functioning of the European Union, as set out below in point 278 of Article 2 of this Treaty:

"ARTICLE 10

1. Member States which wish to establish enhanced cooperation between themselves within the framework of the Union's non-exclusive competences may make use of its institutions and exercise those competences by applying the relevant provisions of the Treaties, subject to the limits and in accordance with the detailed arrangements laid down in this Article and in Articles 280 A to 280 I of the Treaty on the Functioning of the European Union.

Enhanced cooperation shall aim to further the objectives of the Union, protect its interests and reinforce its integration process. Such cooperation shall be open at

any time to all Member States, in accordance with Article 280 C of the Treaty on the Functioning of the European Union.

2. The decision authorising enhanced cooperation shall be adopted by the Council as a last resort, when it has established that the objectives of such cooperation cannot be attained within a reasonable period by the Union as a whole, and provided that at least nine Member States participate in it. The Council shall act in accordance with the procedure laid down in Article 280 D of the Treaty on the Functioning of the European Union.

3. All members of the Council may participate in its deliberations, but only members of the Council representing the Member States participating in enhanced cooperation shall take part in the vote. The voting rules are set out in Article 280 E of the Treaty on the Functioning of the European Union.

4. Acts adopted in the framework of enhanced cooperation shall bind only participating Member States. They shall not be regarded as part of the *acquis* which has to be accepted by candidate States for accession to the Union."

- 23) Title V shall be renamed as follows: "GENERAL PROVISIONS ON THE UNION'S EXTERNAL ACTION AND SPECIFIC PROVISIONS ON THE COMMON FOREIGN AND SECURITY POLICY".

GENERAL PROVISIONS ON THE UNION'S EXTERNAL ACTION

- 24) The following new Chapter 1 and Articles 10 A and 10 B shall be inserted:

"CHAPTER 1
GENERAL PROVISIONS ON THE UNION'S EXTERNAL ACTION

ARTICLE 10 A

1. The Union's action on the international scene shall be guided by the principles which have inspired its own creation, development and enlargement, and which it seeks to advance in the wider world: democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity, and respect for the principles of the United Nations Charter¹ and international law.

The Union shall seek to develop relations and build partnerships with third countries, and international, regional or global organisations which share the principles referred to in the first subparagraph. It shall promote multilateral

¹ Treaty Series No.67 (1946) Cmd 7015

solutions to common problems, in particular in the framework of the United Nations.

2. The Union shall define and pursue common policies and actions, and shall work for a high degree of cooperation in all fields of international relations, in order to:

- (a) safeguard its values, fundamental interests, security, independence and integrity;
- (b) consolidate and support democracy, the rule of law, human rights and the principles of international law;
- (c) preserve peace, prevent conflicts and strengthen international security, in accordance with the purposes and principles of the United Nations Charter, with the principles of the Helsinki Final Act¹ and with the aims of the Charter of Paris, including those relating to external borders;
- (d) foster the sustainable economic, social and environmental development of developing countries, with the primary aim of eradicating poverty;
- (e) encourage the integration of all countries into the world economy, including through the progressive abolition of restrictions on international trade;
- (f) help develop international measures to preserve and improve the quality of the environment and the sustainable management of global natural resources, in order to ensure sustainable development;
- (g) assist populations, countries and regions confronting natural or man-made disasters; and
- (h) promote an international system based on stronger multilateral cooperation and good global governance.

3. The Union shall respect the principles and pursue the objectives set out in paragraphs 1 and 2 in the development and implementation of the different areas of the Union's external action covered by this Title and by Part Five of the Treaty on the Functioning of the European Union, and of the external aspects of its other policies.

The Union shall ensure consistency between the different areas of its external action and between these and its other policies. The Council and the

¹ Cmnd 6198, Aug 1975

Commission, assisted by the High Representative of the Union for Foreign Affairs and Security Policy, shall ensure that consistency and shall cooperate to that effect.

ARTICLE 10 B

1. On the basis of the principles and objectives set out in Article 10 A, the European Council shall identify the strategic interests and objectives of the Union.

Decisions of the European Council on the strategic interests and objectives of the Union shall relate to the common foreign and security policy and to other areas of the external action of the Union. Such decisions may concern the relations of the Union with a specific country or region or may be thematic in approach. They shall define their duration, and the means to be made available by the Union and the Member States.

The European Council shall act unanimously on a recommendation from the Council, adopted by the latter under the arrangements laid down for each area. Decisions of the European Council shall be implemented in accordance with the procedures provided for in the Treaties.

2. The High Representative of the Union for Foreign Affairs and Security Policy, for the area of common foreign and security policy, and the Commission, for other areas of external action, may submit joint proposals to the Council."

THE COMMON FOREIGN AND SECURITY POLICY

25) The following headings shall be inserted:

"CHAPTER 2 SPECIFIC PROVISIONS ON THE COMMON FOREIGN AND SECURITY POLICY

SECTION 1 COMMON PROVISIONS".

26) The following new Article 10 C shall be inserted:

"ARTICLE 10 C

The Union's action on the international scene, pursuant to this Chapter, shall be guided by the principles, shall pursue the objectives of, and be conducted in accordance with, the general provisions laid down in Chapter 1."

27) Article 11 shall be amended as follows:

(a) paragraph 1 shall be replaced by the following two paragraphs:

"1. The Union's competence in matters of common foreign and security policy shall cover all areas of foreign policy and all questions relating to the Union's security, including the progressive framing of a common defence policy that might lead to a common defence.

The common foreign and security policy is subject to specific rules and procedures. It shall be defined and implemented by the European Council and the Council acting unanimously, except where the Treaties provide otherwise. The adoption of legislative acts shall be excluded. The common foreign and security policy shall be put into effect by the High Representative of the Union for Foreign Affairs and Security Policy and by Member States, in accordance with the Treaties. The specific role of the European Parliament and of the Commission in this area is defined by the Treaties. The Court of Justice of the European Union shall not have jurisdiction with respect to these provisions, with the exception of its jurisdiction to monitor compliance with Article 25b of this Treaty and to review the legality of certain decisions as provided for by thesecond paragraph of Article 240a of the Treaty on the Functioning of the European Union.

2. Within the framework of the principles and objectives of its external action, the Union shall conduct, define and implement a common foreign and security policy, based on the development of mutual political solidarity among Member States, the identification of questions of general interest and the achievement of an ever-increasing degree of convergence of Member States' actions.";

(b) paragraph 2, renumbered 3, shall be amended as follows:

(i) The following words shall be added at the end of the first subparagraph:

"and shall comply with the Union's action in this area.";

(ii) the third subparagraph shall be replaced by "The Council and the High Representative shall ensure compliance with these principles."

28) Article 12 shall be replaced by the following:

"ARTICLE 12

The Union shall conduct the common foreign and security policy by:

- (a) defining the general guidelines;
 - (b) adopting decisions defining:
 - (i) actions to be undertaken by the Union;
 - (ii) positions to be taken by the Union;
 - (iii) arrangements for the implementation of the decisions referred to in points (i) and (ii);
- and by
- (c) strengthening systematic cooperation between Member States in the conduct of policy."

29) Article 13 shall be amended as follows:

- (a) in paragraph 1, the words "define the principles of and general guidelines for" shall be replaced by "identify the Union's strategic interests, determine the objectives of and define general guidelines for" and the following sentence shall be added: "It shall adopt the necessary decisions.". The following subparagraph shall be inserted: "If international developments so require, the President of the European Council shall convene an extraordinary meeting of the European Council in order to define the strategic lines of the Union's policy in the face of such developments.";
- (b) paragraph 2 shall be deleted and paragraph 3 shall be renumbered 2. The first subparagraph shall be replaced by the following: "The Council shall frame the common foreign and security policy and take the decisions necessary for defining and implementing it on the basis of the general guidelines and strategic lines defined by the European Council." The second subparagraph shall be deleted. In the third subparagraph, which shall become the second, the words "shall ensure" shall be replaced by "and the High Representative of the Union for Foreign Affairs and Security Policy shall ensure";
- (c) the following new paragraph shall be inserted:

"3. The common foreign and security policy shall be put into effect by the High Representative and by the Member States, using national and Union resources."

30) The following new Article 13a shall be inserted:

"ARTICLE 13a

1. The High Representative of the Union for Foreign Affairs and Security Policy, who shall chair the Foreign Affairs Council, shall contribute through his proposals to the development of the common foreign and security policy and shall ensure implementation of the decisions adopted by the European Council and the Council.

2. The High Representative shall represent the Union for matters relating to the common foreign and security policy. He shall conduct political dialogue with third parties on the Union's behalf and shall express the Union's position in international organisations and at international conferences.

3. In fulfilling his mandate, the High Representative shall be assisted by a European External Action Service. This service shall work in cooperation with the diplomatic services of the Member States and shall comprise officials from relevant departments of the General Secretariat of the Council and of the Commission as well as staff seconded from national diplomatic services of the Member States. The organisation and functioning of the European External Action Service shall be established by a decision of the Council. The Council shall act on a proposal from the High Representative after consulting the European Parliament and after obtaining the consent of the Commission."

31) Article 14 shall be amended as follows:

(a) in paragraph 1, the first two sentences shall be replaced by the following sentence: "Where the international situation requires operational action by the Union, the Council shall adopt the necessary decisions.";

(b) paragraph 2 shall become the second subparagraph of paragraph 1, and the other paragraphs shall be renumbered accordingly. In the first sentence, the words "to joint action," shall be replaced by "to such a decision," and the words "that action" shall be replaced by "that decision". The last sentence shall be deleted;

(c) in paragraph 3, renumbered 2, the words "Joint actions" shall be replaced by "Decisions referred to in paragraph 1";

- (d) the current paragraph 4 shall be deleted and the remaining paragraphs shall be renumbered accordingly;
 - (e) in the first sentence of paragraph 5, renumbered 3, the words "pursuant to a joint action, information shall be provided in time to allow," shall be replaced by "pursuant to a decision as referred to in paragraph 1, information shall be provided by the Member State concerned in time to allow,";
 - (f) in the first sentence of paragraph 6, renumbered 4, the words "failing a Council decision," shall be replaced by "failing a review of the Council decision as referred to in paragraph 1," and the words "of the joint action" shall be replaced by "of that decision";
 - (g) in paragraph 7, renumbered 5, the words "joint action" in the first sentence shall be replaced by "decision as referred to in this Article" and in the second sentence by "decision referred to in paragraph 1".
- 32) At the beginning of Article 15, the words "The Council shall adopt common positions. Common positions shall define" shall be replaced by "The Council shall adopt decisions which shall define" and at the end of the Article the words "common positions" shall be replaced by "Union positions".
- 33) An Article 15a shall be inserted, with the text of Article 22, with the following amendments:
- (a) in paragraph 1, the words "Any Member State or the Commission may refer to the Council any question relating to the common foreign and security policy" shall be replaced by "Any Member State, the High Representative of the Union for Foreign Affairs and Security Policy, or the High Representative with the Commission's support, may refer any question relating to the common foreign and security policy to the Council" and the words "submit proposals to the Council" shall be replaced by "submit to it, respectively, initiatives or proposals";
 - (b) in paragraph 2, the words "the Presidency, of its own motion," shall be replaced by "the High Representative, of his own motion" and the words ", or at the request of the Commission or a Member State," shall be replaced by ", or at the request of a Member State,".
- 34) An Article 15b shall be inserted, with the text of Article 23, with the following amendments:
- (a) in paragraph 1, the first subparagraph shall be replaced by the following: "Decisions under this Chapter shall be taken by the European Council and

the Council acting unanimously, except where this Chapter provides otherwise. The adoption of legislative acts shall be excluded." and the last sentence in the second subparagraph shall be replaced by the following: "If the members of the Council qualifying their abstention in this way represent at least one third of the Member States comprising at least one third of the population of the Union, the decision shall not be adopted.";

(b) paragraph 2 shall be amended as follows:

(i) the first indent shall be replaced by the following two indents:

"– when adopting a decision defining a Union action or position on the basis of a decision of the European Council relating to the Union's strategic interests and objectives, as referred to in Article 10 B(1),

– when adopting a decision defining a Union action or position, on a proposal which the High Representative of the Union for Foreign Affairs and Security Policy has presented following a specific request from the European Council, made on its own initiative or that of the High Representative,";

(ii) in the second indent, which shall become the third indent, the words "a joint action or a common position," shall be replaced by "a decision defining a Union action or position,";

(iii) in the second subparagraph, first sentence, the word "important" shall be replaced by "vital"; the last sentence shall be replaced by the following: "The High Representative will, in close consultation with the Member State involved, search for a solution acceptable to it. If he does not succeed, the Council may, acting by a qualified majority, request that the matter be referred to the European Council for a decision by unanimity.";

(iv) the third subparagraph shall be replaced by the following new paragraph 3, the last subparagraph shall become paragraph 4 and paragraph 3 shall be renumbered 5:

"3. The European Council may unanimously adopt a decision stipulating that the Council shall act by a qualified majority in cases other than those referred to in paragraph 2.";

(c) in the paragraph now numbered 4, the words "This paragraph shall not apply" shall be replaced by "Paragraphs 2 and 3 shall not apply".

- 35) Article 16 shall be amended as follows:
- (a) the words "inform and" shall be deleted, the words "within the Council" shall be replaced by "within the European Council and the Council" and the words "in order to ensure that the Union's influence is exerted as effectively as possible by means of concerted and convergent action" shall be replaced by "in order to determine a common approach";
 - (b) the following sentences shall be added after the first sentence: "Before undertaking any action on the international scene or entering into any commitment which could affect the Union's interests, each Member State shall consult the others within the European Council or the Council. Member States shall ensure, through the convergence of their actions, that the Union is able to assert its interests and values on the international scene. Member States shall show mutual solidarity.";
 - (c) the following two paragraphs shall be added:

"When the European Council or the Council has defined a common approach of the Union within the meaning of the first paragraph, the High Representative of the Union for Foreign Affairs and Security Policy and the Ministers for Foreign Affairs of the Member States shall coordinate their activities within the Council.

The diplomatic missions of the Member States and the Union delegations in third countries and at international organisations shall cooperate and shall contribute to formulating and implementing the common approach."
- 36) The text of Article 17 shall become Article 28 A, it shall be amended as set out below in point 49.
- 37) Article 18 shall be amended as follows:
- (a) paragraphs 1 to 4 shall be deleted;
 - (b) in paragraph 5, which shall not be numbered, the words "whenever it deems it necessary," shall be replaced by "on a proposal from the High Representative of the Union for Foreign Affairs and Security Policy" and the following sentence shall be added at the end: "The special representative shall carry out his mandate under the authority of the High Representative."
- 38) Article 19 shall be amended as follows:

- (a) in paragraph 1, the words "the common positions" shall be replaced by "the Union's positions" in the first and second subparagraphs and the following sentence shall be added at the end of the first subparagraph: "The High Representative of the Union for Foreign Affairs and Security Policy shall organise this coordination.";
- (b) paragraph 2 shall be amended as follows:
 - (i) in the first subparagraph, the words "Without prejudice to paragraph 1 and Article 14(3)," shall be replaced by "In accordance with Article 11(3)," and the words "the latter" shall be replaced by "the other Member States and the High Representative";
 - (ii) in the second subparagraph, first sentence, the words "and the High Representative" shall be inserted after "the other Member States"; in the second sentence, the word "permanent" shall be deleted and the words "ensure the defence of the positions" shall be replaced by "defend the positions";
 - (iii) the following new third subparagraph shall be added:

"When the Union has defined a position on a subject which is on the United Nations Security Council agenda, those Member States which sit on the Security Council shall request that the High Representative be invited to present the Union's position."

39) Article 20 shall be amended as follows:

- (a) in the first paragraph, the words "Commission delegations" shall be replaced by "Union delegations" and the words "the common positions and joint actions adopted by the Council" shall be replaced by "decisions defining Union positions and actions adopted pursuant to this Chapter";
- (b) in the second paragraph, the words "information, carrying out joint assessments" shall be replaced by "information and carrying out joint assessments" and the words "and contributing to the implementation of the provisions referred to in Article 20 of the Treaty establishing the European Community" shall be deleted;
- (c) the following new paragraph shall be added:

"They shall contribute to the implementation of the right of citizens of the Union to protection in the territory of third countries as referred to in Article 17(2)(c) of the Treaty on the Functioning of the European Union and of the measures adopted pursuant to Article 20 of that Treaty."

40) Article 21 shall be amended as follows:

(a) the first paragraph shall be replaced by the following:

"The High Representative of the Union for Foreign Affairs and Security Policy shall regularly consult the European Parliament on the main aspects and the basic choices of the common foreign and security policy and the common security and defence policy and inform it of how those policies evolve. He shall ensure that the views of the European Parliament are duly taken into consideration. Special representatives may be involved in briefing the European Parliament.";

(b) in the second paragraph, the first sentence shall be replaced by "The European Parliament may address questions or make recommendations to the Council or the High Representative"; in the second sentence, the words "It shall hold an annual debate" shall be replaced by "Twice a year it shall hold a debate" and the words ", including the common security and defence policy" shall be inserted at the end.

41) The text of Article 22 shall become Article 15a; it shall be amended as set out above in point 33.

42) The text of Article 23 shall become Article 15b; it shall be amended as set out above in point 34.

43) Article 24 shall be replaced by the following:

"ARTICLE 24

The Union may conclude agreements with one or more States or international organisations in areas covered by this Chapter."

44) Article 25 shall be amended as follows:

(a) in the first paragraph, first sentence, the reference to the Treaty establishing the European Community shall be replaced by a reference to the Treaty on the functioning of the European Union and the words "or of the High Representative of the Union for Foreign Affairs and Security Policy" shall be inserted after "at the request of the Council"; in the second sentence, the words "without prejudice to the responsibility of the esidency and the Commission" shall be replaced by "without prejudice to the powers of the High Representative";

(b) the text of the second paragraph shall be replaced by the following: "Within the scope of this Chapter, the Political and Security Committee

shall exercise, under the responsibility of the Council and of the High Representative, the political control and strategic direction of the crisis management operations referred to in Article 28 B.";

- (c) in the third paragraph, the words ", without prejudice to Article 47" shall be deleted.
- 45) Articles 26 and 27 shall be repealed. The following Articles 25a and 25b shall be inserted, with Article 25b replacing Article 47:

"ARTICLE 25a

In accordance with Article 16 B of the Treaty on the Functioning of the European Union and by way of derogation from paragraph 2 thereof, the Council shall adopt a decision laying down the rules relating to the protection of individuals with regard to the processing of personal data by the Member States when carrying out activities which fall within the scope of this Chapter, and the rules relating to the free movement of such data. Compliance with these rules shall be subject to the control of independent authorities.

ARTICLE 25b

The implementation of the common foreign and security policy shall not affect the application of the procedures and the extent of the powers of the institutions laid down by the Treaties for the exercise of the Union competences referred to in Articles 2 B to 2 E of the Treaty on the Functioning of the European Union.

Similarly, the implementation of the policies listed in those Articles shall not affect the application of the procedures and the extent of the powers of the institutions laid down by the Treaties for the exercise of the Union competences under this Chapter."

- 46) Articles 27 A to 27 E, on enhanced cooperation, shall be replaced by Article 10 in accordance with point 22 above.
- 47) Article 28 shall be amended as follows:
- (a) paragraph 1 shall be deleted and the remaining paragraphs shall be renumbered accordingly; throughout the Article the words "budget of the European Communities" shall be replaced by "Union budget";
 - (b) in paragraph 2, renumbered 1, the words "which the provisions relating to the areas referred to in this Title entail" shall be replaced by "to which the implementation of this Chapter gives rise";

- (c) in paragraph 3, renumbered 2, the words "the implementation of those provisions" in the first subparagraph shall be replaced by "the implementation of this Chapter";
- (d) the following new paragraph 3 shall be added and paragraph 4 deleted:

"3. The Council shall adopt a decision establishing the specific procedures for guaranteeing rapid access to appropriations in the Union budget for urgent financing of initiatives in the framework of the common foreign and security policy, and in particular for preparatory activities for the tasks referred to in Article 28 A(1) and Article 28 B. It shall act after consulting the European Parliament.

Preparatory activities for the tasks referred to in Article 28 A(1) and Article 28 B Which are not charged to the Union budget shall be financed by a start-up fund made up of Member States' contributions.

The Council shall adopt by a qualified majority, on a proposal from the High Representative of the Union for Foreign Affairs and Security Policy, decisions establishing:

- (a) the procedures for setting up and financing the start-up fund, in particular the amounts allocated to the fund;
- (b) the procedures for administering the start-up fund;
- (c) the financial control procedures.

When the task planned in accordance with Article 28 A(1) and Article 28 B cannot be charged to the Union budget, the Council shall authorise the High Representative to use the fund. The High Representative shall report to the Council on the implementation of this remit."

THE COMMON SECURITY AND DEFENCE POLICY

- 48) The following new section 2 shall be inserted:

"SECTION 2
PROVISIONS ON THE COMMON SECURITY
AND DEFENCE POLICY"

- 49) An Article 28 A shall be inserted, taking over the wording of Article 17, with the following amendments:

- (a) the following new paragraph 1 shall be inserted and the next paragraph shall be renumbered 2:

"1. The common security and defence policy shall be an integral part of the common foreign and security policy. It shall provide the Union with an operational capacity drawing on civilian and military assets. The Union may use them on missions outside the Union for peace-keeping, conflict prevention and strengthening international security in accordance with the principles of the United Nations Charter. The performance of these tasks shall be undertaken using capabilities provided by the Member States.";

- (b) paragraph 1, renumbered 2, shall be amended as follows:

- (i) the first subparagraph shall be replaced by the following:

"2. The common security and defence policy shall include the progressive framing of a common Union defence policy. This will lead to a common defence, when the European Council, acting unanimously, so decides. It shall in that case recommend to the Member States the adoption of such a decision in accordance with their respective constitutional requirements.";

- (ii) in the second subparagraph, the words "in accordance with this Article" shall be replaced by "in accordance with this Section";

- (iii) the third subparagraph shall be deleted.

- (c) the present paragraphs 2, 3, 4 and 5 shall be replaced by the following paragraphs 3 to 7:

"3. Member States shall make civilian and military capabilities available to the Union for the implementation of the common security and defence policy, to contribute to the objectives defined by the Council. Those Member States which together establish multinational forces may also make them available to the common security and defence policy.

Member States shall undertake progressively to improve their military capabilities. The Agency in the field of defence capabilities development, research, acquisition and armaments (hereinafter referred to as "the European Defence Agency") shall identify operational requirements, shall promote measures to satisfy those requirements, shall contribute to identifying and, where appropriate, implementing any measure needed to strengthen the industrial and technological base of the defence sector, shall participate in defining a European capabilities and armaments policy, and

shall assist the Council in evaluating the improvement of military capabilities.

4. Decisions relating to the common security and defence policy, including those initiating a mission as referred to in this Article, shall be adopted by the Council acting unanimously on a proposal from the High Representative of the Union for Foreign Affairs and Security Policy or an initiative from a Member State. The High Representative may propose the use of both national resources and Union instruments, together with the Commission where appropriate.
5. The Council may entrust the execution of a task, within the Union framework, to a group of Member States in order to protect the Union's values and serve its interests. The execution of such a task shall be governed by Article 28 C.
6. Those Member States whose military capabilities fulfil higher criteria and which have made more binding commitments to one another in this area with a view to the most demanding missions shall establish permanent structured cooperation within the Union framework. Such cooperation shall be governed by Article 28 E. It shall not affect the provisions of Article 28 B.
7. If a Member State is the victim of armed aggression on its territory, the other Member States shall have towards it an obligation of aid and assistance by all the means in their power, in accordance with Article 51 of the United Nations Charter. This shall not prejudice the specific character of the security and defence policy of certain Member States.

Commitments and cooperation in this area shall be consistent with commitments under the North Atlantic Treaty Organisation, which, for those States which are members of it, remains the foundation of their collective defence and the forum for its implementation."

- 50) The following new Articles 28 B to 28 E shall be inserted:

"ARTICLE 28 B

1. The tasks referred to in Article 28 A(1), in the course of which the Union may use civilian and military means, shall include joint disarmament operations, humanitarian and rescue tasks, military advice and assistance tasks, conflict prevention and peace-keeping tasks, tasks of combat forces in crisis management, including peace-making and post-conflict stabilisation. All these tasks may contribute to the fight against terrorism,

including by supporting third countries in combating terrorism in their territories.

2. The Council shall adopt decisions relating to the tasks referred to in paragraph 1, defining their objectives and scope and the general conditions for their implementation. The High Representative of the Union for Foreign Affairs and Security Policy, acting under the authority of the Council and in close and constant contact with the Political and Security Committee, shall ensure coordination of the civilian and military aspects of such tasks.

ARTICLE 28 C

1. Within the framework of the decisions adopted in accordance with Article 28 B, the Council may entrust the implementation of a task to a group of Member States which are willing and have the necessary capability for such a task. Those Member States, in association with the High Representative of the Union for Foreign Affairs and Security Policy, shall agree among themselves on the management of the task.
2. Member States participating in the task shall keep the Council regularly informed of its progress on their own initiative or at the request of another Member State. Those States shall inform the Council immediately should the completion of the task entail major consequences or require amendment of the objective, scope and conditions determined for the task in the decisions referred to in paragraph 1. In such cases, the Council shall adopt the necessary decisions.

ARTICLE 28 D

1. The European Defence Agency referred to in Article 28 A(3), subject to the authority of the Council, shall have as its task to:
 - (a) contribute to identifying the Member States' military capability objectives and evaluating observance of the capability commitments given by the Member States;
 - (b) promote harmonisation of operational needs and adoption of effective, compatible procurement methods;
 - (c) propose multilateral projects to fulfil the objectives in terms of military capabilities, ensure coordination of the programmes

implemented by the Member States and management of specific cooperation programmes;

- (d) support defence technology research, and coordinate and plan joint research activities and the study of technical solutions meeting future operational needs;
- (e) contribute to identifying and, if necessary, implementing any useful measure for strengthening the industrial and technological base of the defence sector and for improving the effectiveness of military expenditure.

2. The European Defence Agency shall be open to all Member States wishing to be part of it. The Council, acting by a qualified majority, shall adopt a decision defining the Agency's statute, seat and operational rules. That decision should take account of the level of effective participation in the Agency's activities. Specific groups shall be set up within the Agency bringing together Member States engaged in joint projects. The Agency shall carry out its tasks in liaison with the Commission where necessary.

ARTICLE 28 E

1. Those Member States which wish to participate in the permanent structured cooperation referred to in Article 28 A(6), which fulfil the criteria and have made the commitments on military capabilities set out in the Protocol on permanent structured cooperation, shall notify their intention to the Council and to the High Representative of the Union for Foreign Affairs and Security Policy.
2. Within three months following the notification referred to in paragraph 1 the Council shall adopt a decision establishing permanent structured cooperation and determining the list of participating Member States. The Council shall act by a qualified majority after consulting the High Representative.
3. Any Member State which, at a later stage, wishes to participate in the permanent structured cooperation shall notify its intention to the Council and to the High Representative.

The Council shall adopt a decision confirming the participation of the Member State concerned which fulfils the criteria and makes the commitments referred to in Articles 1 and 2 of the Protocol on permanent structured cooperation. The Council shall act by a qualified majority after

consulting the High Representative. Only members of the Council representing the participating Member States shall take part in the vote.

A qualified majority shall be defined in accordance with Article 205(3)(a) of the Treaty on the Functioning of the European Union.

4. If a participating Member State no longer fulfils the criteria or is no longer able to meet the commitments referred to in Articles 1 and 2 of the Protocol on permanent structured cooperation, the Council may adopt a decision suspending the participation of the Member State concerned.

The Council shall act by a qualified majority. Only members of the Council representing the participating Member States, with the exception of the Member State in question, shall take part in the vote.

A qualified majority shall be defined in accordance with Article 205(3)(a) of the Treaty on the Functioning of the European Union.

5. Any participating Member State which wishes to withdraw from permanent structured cooperation shall notify its intention to the Council, which shall take note that the Member State in question has ceased to participate.
6. The decisions and recommendations of the Council within the framework of permanent structured cooperation, other than those provided for in paragraphs 2 to 5, shall be adopted by unanimity. For the purposes of this paragraph, unanimity shall be constituted by the votes of the representatives of the participating Member States only."

51) Articles 29 to 39 of Title VI, which relate to judicial cooperation in criminal matters and to police cooperation, shall be replaced by the provisions of Chapters 1, 4 and 5 of Title IV of Part Three of the Treaty on the Functioning of the European Union. As set out below, in Article 2, points 64, 67 and 68 of this Treaty, Article 29 shall be replaced by Article 61 of the Treaty on the Functioning of the European Union, Article 30 shall be replaced by Articles 69 F and 69 G thereof, Article 31 shall be replaced by Articles 69 A, 69 B and 69 D thereof, Article 32 shall be replaced by Article 69 H thereof, Article 33 shall be replaced by Article 61 E thereof and Article 36 shall be replaced by Article 61 D thereof. Articles 34, 35, 37, 38 and 39 shall be repealed. The heading of the Title shall be deleted and its number shall become the number of the Title on final provisions.

52) Articles 40 to 40 B of Title VI and Articles 43 to 45 of Title VII, relating to enhanced cooperation, shall be replaced by Article 10 in accordance with point 22 above, and Title VII shall be repealed.

- 53) Articles 41 and 42 shall be repealed.

FINAL PROVISIONS

- 54) Title VIII, on final provisions, shall be renumbered VI; this Title and Articles 48, 49 and 53 shall be amended as set out respectively in points 56, 57 and 61 below. Article 47 shall be replaced by Article 25b, as indicated above in point 45, and Articles 46 and 50 shall be repealed.
- 55) The following new Article 46 A shall be inserted:

"ARTICLE 46 A

The Union shall have legal personality."

- 56) Article 48 shall be replaced by the following:

"ARTICLE 48

1. The Treaties may be amended in accordance with an ordinary revision procedure. They may also be amended in accordance with simplified revision procedures.

Ordinary revision procedure

2. The Government of any Member State, the European Parliament or the Commission may submit to the Council proposals for the amendment of the Treaties. These proposals may, *inter alia*, serve either to increase or to reduce the competences conferred on the Union in the Treaties. These proposals shall be submitted to the European Council by the Council and the national Parliaments shall be notified.

3. If the European Council, after consulting the European Parliament and the Commission, adopts by a simple majority a decision in favour of examining the proposed amendments, the President of the European Council shall convene a Convention composed of representatives of the national Parliaments, of the Heads of State or Government of the Member States, of the European Parliament and of the Commission. The European Central Bank shall also be consulted in the case of institutional changes in the monetary area. The Convention shall examine the proposals for amendments and shall adopt by consensus a recommendation to a conference of representatives of the governments of the Member States as provided for in paragraph 4.

The European Council may decide by a simple majority, after obtaining the consent of the European Parliament, not to convene a Convention should this not be justified by the extent of the proposed amendments. In the latter case, the European Council shall define the terms of reference for a conference of representatives of the governments of the Member States.

4. A conference of representatives of the governments of the Member States shall be convened by the President of the Council for the purpose of determining by common accord the amendments to be made to the Treaties.

The amendments shall enter into force after being ratified by all the Member States in accordance with their respective constitutional requirements.

5. If, two years after the signature of a treaty amending the Treaties, four fifths of the Member States have ratified it and one or more Member States have encountered difficulties in proceeding with ratification, the matter shall be referred to the European Council.

Simplified revision procedures

6. The Government of any Member State, the European Parliament or the Commission may submit to the European Council proposals for revising all or part of the provisions of Part Three of the Treaty on the Functioning of the European Union relating to the internal policies and action of the Union.

The European Council may adopt a decision amending all or part of the provisions of Part Three of the Treaty on the Functioning of the European Union. The European Council shall act by unanimity after consulting the European Parliament and the Commission, and the European Central Bank in the case of institutional changes in the monetary area. That decision shall not enter into force until it is approved by the Member States in accordance with their respective constitutional requirements.

The decision referred to in the second subparagraph shall not increase the competences conferred on the Union in the Treaties.

7. Where the Treaty on the Functioning of the European Union or Title V of this Treaty provides for the Council to act by unanimity in a given area or case, the European Council may adopt a decision authorising the Council to act by a qualified majority in that area or in that case. This subparagraph shall not apply to decisions with military implications or those in the area of defence.

Where the Treaty on the Functioning of the European Union provides for legislative acts to be adopted by the Council in accordance with a special

legislative procedure, the European Council may adopt a decision allowing for the adoption of such acts in accordance with the ordinary legislative procedure.

Any initiative taken by the European Council on the basis of the first or the second subparagraph shall be notified to the national Parliaments. If a national Parliament makes known its opposition within six months of the date of such notification, the decision referred to in the first or the second subparagraph shall not be adopted. In the absence of opposition, the European Council may adopt the decision.

For the adoption of the decisions referred to in the first and second subparagraphs, the European Council shall act by unanimity after obtaining the consent of the European Parliament, which shall be given by a majority of its component members."

- 57) The first paragraph of Article 49 shall be amended as follows:
- (a) in the first sentence, the words "which respects the principles set out in Article 6(1) may apply" shall be replaced by "which respects the values referred to in Article 1a and is committed to promoting them may apply";
 - (b) in the second sentence, the words "It shall address its application to the Council, which shall act unanimously" shall be replaced by "The European Parliament and national Parliaments shall be notified of this application. The applicant State shall address its application to the Council, which shall act unanimously"; the word "assent" shall be replaced by "consent" and the words "an absolute majority" shall be replaced by "a majority";
 - (c) the following sentence shall be added at the end of the paragraph: "The conditions of eligibility agreed upon by the European Council shall be taken into account."
- 58) The following new Article 49 A shall be inserted:

"ARTICLE 49 A

1. Any Member State may decide to withdraw from the Union in accordance with its own constitutional requirements.
2. A Member State which decides to withdraw shall notify the European Council of its intention. In the light of the guidelines provided by the European Council, the Union shall negotiate and conclude an agreement with that State, setting out the arrangements for its withdrawal, taking account of the framework for its future relationship with the Union. That agreement shall be negotiated in accordance with Article 188 N(3) of the Treaty on the Functioning of the

European Union. It shall be concluded on behalf of the Union by the Council, acting by a qualified majority, after obtaining the consent of the European Parliament.

3. The Treaties shall cease to apply to the State in question from the date of entry into force of the withdrawal agreement or, failing that, two years after the notification referred to in paragraph 2, unless the European Council, in agreement with the Member State concerned, unanimously decides to extend this period.

4. For the purposes of paragraphs 2 and 3, the member of the European Council or of the Council representing the withdrawing Member State shall not participate in the discussions of the European Council or Council or in decisions concerning it.

A qualified majority shall be defined in accordance with Article 205(3)(b) of the Treaty on the Functioning of the European Union.

5. If a State which has withdrawn from the Union asks to rejoin, its request shall be subject to the procedure referred to in Article 49."

59) The following Article 49 B shall be inserted:

"ARTICLE 49 B

The Protocols and Annexes to the Treaties shall form an integral part thereof."

60) An Article 49 C shall be inserted:

"ARTICLE 49 C

1. The Treaties shall apply to the Kingdom of Belgium, the Republic of Bulgaria, the Czech Republic, the Kingdom of Denmark, the Federal Republic of Germany, the Republic of Estonia, Ireland, the Hellenic Republic, the Kingdom of Spain, the French Republic, the Italian Republic, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Grand Duchy of Luxembourg, the Republic of Hungary, the Republic of Malta, the Kingdom of the Netherlands, the Republic of Austria, the Republic of Poland, the Portuguese Republic, Romania, the Republic of Slovenia, the Slovak Republic, the Republic of Finland, the Kingdom of Sweden and the United Kingdom of Great Britain and Northern Ireland.

2. The territorial scope of the Treaties is specified in Article 311a of the Treaty on the Functioning of the European Union."

61) Article 53 shall be amended as follows:

(a) the first paragraph shall be numbered 1, the languages listed in the second paragraph of the current Article 53 of the Treaty on European Union shall be added to the list in this paragraph and the second paragraph shall be deleted;

(b) the following new paragraph 2 shall be added:

"2. This Treaty may also be translated into any other languages as determined by Member States among those which, in accordance with their constitutional order, enjoy official status in all or part of their territory. A certified copy of such translations shall be provided by the Member States concerned to be deposited in the archives of the Council."

ARTICLE 2

The Treaty establishing the European Community shall be amended in accordance with the provisions of this Article.

1) The title of the Treaty shall be replaced by "Treaty on the Functioning of the European Union".

A. HORIZONTAL AMENDMENTS

2) Throughout the Treaty:

(a) the words "Community" and "European Community" shall be replaced by "Union" and any necessary grammatical changes shall be made, the words "European Communities" shall be replaced by "European Union", except in paragraph 6(c) of Article 299, renumbered paragraph 5(c) of Article 311a. In respect of Article 136, this amendment shall apply only to the mention of "The Community" at the beginning of the first paragraph;

(b) the words "this Treaty" and "the present Treaty" shall be replaced by "the Treaties", the verb, where applicable, shall be put in the plural and any necessary grammatical changes shall be made; this point shall not apply to the third paragraph of Article 182 and to Articles 312 and 313;

(c) the words "the Council [shall], acting in accordance with the procedure referred to in Article 251" shall be replaced by "the European Parliament and the Council [shall], acting in accordance with the ordinary legislative

- procedure", and the words "procedure referred to in Article 251" shall be replaced by "ordinary legislative procedure";
- d) the words "acting by a qualified majority", "by a qualified majority", "which shall act by a qualified majority" and "by the same majority" shall be deleted;
 - (e) the words "Council meeting in the composition of the Heads of State or Government" shall be replaced by "European Council";
 - (f) the words "institutions or bodies" and "institutions and bodies" shall be replaced by "institutions, bodies, offices or agencies", except in the third paragraph of Article 21 and in the first paragraph of Article 193;
 - (g) the words "common market" shall be replaced by "internal market";
 - (h) the word "ecu" shall be replaced by "euro";
 - (i) the words "Member States without a derogation" shall be replaced by "Member States whose currency is the euro";
 - (j) the abbreviation "ECB" shall be replaced by "European Central Bank";
 - (k) the words "Statute of the ESCB" shall be replaced by "Statute of the ESCB and of the ECB";
 - (l) The words "Committee provided for in Article 114" and "Committee referred to in Article 114" shall be replaced by "Economic and Financial Committee";
 - (m) the words "Statute of the Court of Justice" or "Statute of the Court" shall be replaced by "Statute of the Court of Justice of the European Union";
 - (n) the words "Court of First Instance" shall be replaced by "General Court";
 - (o) the words "judicial panel" and "judicial panels" shall be replaced by "specialised court" and "specialised courts" respectively and any necessary grammatical changes shall be made.
- 3) In the following Articles, the words "acting unanimously on a proposal from the Commission" shall be replaced by "acting unanimously in accordance with a special legislative procedure":

- Article 13, renumbered 16 E, first paragraph
 - Article 19(1)
 - Article 19(2)
 - Article 22, second paragraph
 - Article 93
 - Article 94, renumbered 95
 - Article 104(14), second subparagraph
 - Article 175(2), first subparagraph
- 4) In the following Articles, the words "acting by a simple majority" shall be inserted after "the Council":
- Article 130, first paragraph
 - Article 144, first paragraph
 - Article 208
 - Article 209
 - Article 213, final paragraph, third sentence
 - Article 216
 - Article 284
- 5) In the following Articles, the words "consulting the European Parliament" shall be replaced by "obtaining the consent of the European Parliament":
- Article 13, renumbered 16 E, first paragraph
 - Article 22, second paragraph
- 6) In the following Articles, the word "institution" or "institutions" shall be replaced by "institution, body, office or agency" or "institutions, bodies, offices or agencies", as appropriate, and any grammatical changes necessary shall be made:
- Article 195(1), second subparagraph
 - Article 232, second paragraph
 - Article 233, first paragraph:
 - Article 234, point (b)
 - Article 255(3) which shall become Article 16 A(3), third subparagraph
- 7) In the following Articles, the words "Court of Justice" shall be replaced by "Court of Justice of the European Union".
- Article 83(2)(d)
 - Article 88(2), second subparagraph
 - Article 95, renumbered 94(9)
 - Article 195(1)
 - Article 225a, sixth paragraph
 - Article 226, second paragraph
 - Article 227, first paragraph
 - Article 228(1), first instance
 - Article 229
 - Article 229a
 - Article 230, first paragraph
 - Article 234, first paragraph
 - Article 235
 - Article 236
 - Article 237, introductory sentence
 - Article 238
 - Article 240
 - Article 242, first sentence
 - Article 243
 - Article 244
 - Article 247(9), renumbered (8)
 - Article 256, second paragraph

- Article 231, first paragraph
- Article 232, first paragraph
- Article 233, first paragraph

In the following Articles, the words "of Justice" shall be deleted after "Court":

- | | |
|--|---|
| – Article 227, fourth paragraph | – Article 232, third paragraph |
| – Article 228(1), second instance and
Article 228(2), second subparagraph | – Article 234, second and third
paragraphs |
| – Article 230, third paragraph | – Article 237, point (d), third sentence |
| | – Article 242, second sentence |
| | – Article 256, fourth paragraph |

8) In the following Articles, the reference to another Article of the Treaty shall be replaced by the following reference to an Article of the Treaty on European Union:

- | | |
|---|--|
| – Article 21, third, now fourth, paragraph | – reference to Article 9 (first reference)
and to Article 53(1) (second
reference) |
| – Article 4, which shall become Article 97b | – reference to Article 2 |
| – Article 98 | – reference to Article 2 (first reference) |
| – Article 105(1), second sentence | – reference to Article 2 |
| – Article 215, third, now fourth, paragraph | – reference to Article 9 D(7), first
subparagraph. |

9) *(Does not apply to the English version.)*

B. SPECIFIC AMENDMENTS

PREAMBLE

10) In the second recital, the word "countries" shall be replaced by "States" and in the last recital, the words "HAVE DECIDED to create a EUROPEAN COMMUNITY and to this end have designated" shall be replaced by "and to this end HAVE DESIGNATED".

COMMON PROVISIONS

11) Articles 1 and 2 shall be repealed. The following Article 1a shall be inserted:

"ARTICLE 1a

1. This Treaty organises the functioning of the Union and determines the areas of, delimitation of, and arrangements for exercising its competences.

2. This Treaty and the Treaty on European Union constitute the Treaties on which the Union is founded. These two Treaties, which have the same legal value, shall be referred to as "the Treaties".

CATEGORIES AND AREAS OF COMPETENCE

12) The following new Title and new Articles 2 A to 2 E shall be inserted:

"TITLE I
CATEGORIES AND AREAS OF UNION COMPETENCE
ARTICLE 2 A

1. When the Treaties confer on the Union exclusive competence in a specific area, only the Union may legislate and adopt legally binding acts, the Member States being able to do so themselves only if so empowered by the Union or for the implementation of Union acts.

2. When the Treaties confer on the Union a competence shared with the Member States in a specific area, the Union and the Member States may legislate and adopt legally binding acts in that area. The Member States shall exercise their competence to the extent that the Union has not exercised its competence. The Member States shall again exercise their competence to the extent that the Union has decided to cease exercising its competence.

3. The Member States shall coordinate their economic and employment policies within arrangements as determined by this Treaty, which the Union shall have competence to provide.

4. The Union shall have competence, in accordance with the provisions of the Treaty on European Union, to define and implement a common foreign and security policy, including the progressive framing of a common defence policy.

5. In certain areas and under the conditions laid down in the Treaties, the Union shall have competence to carry out actions to support, coordinate or supplement the actions of the Member States, without thereby superseding their competence in these areas.

Legally binding acts of the Union adopted on the basis of the provisions of the Treaties relating to these areas shall not entail harmonisation of Member States' laws or regulations.

6. The scope of and arrangements for exercising the Union's competences shall be determined by the provisions of the Treaties relating to each area.

ARTICLE 2 B

1. The Union shall have exclusive competence in the following areas:
 - (a) customs union;
 - (b) the establishing of the competition rules necessary for the functioning of the internal market;
 - (c) monetary policy for the Member States whose currency is the euro;
 - (d) the conservation of marine biological resources under the common fisheries policy;
 - (e) common commercial policy.
2. The Union shall also have exclusive competence for the conclusion of an international agreement when its conclusion is provided for in a legislative act of the Union or is necessary to enable the Union to exercise its internal competence, or insofar as its conclusion may affect common rules or alter their scope.

ARTICLE 2 C

1. The Union shall share competence with the Member States where the Treaties confer on it a competence which does not relate to the areas referred to in Articles 2 B and 2 E.
2. Shared competence between the Union and the Member States applies in the following principal areas:
 - (a) internal market;
 - (b) social policy, for the aspects defined in this Treaty;
 - (c) economic, social and territorial cohesion;
 - (d) agriculture and fisheries, excluding the conservation of marine biological resources;
 - (e) environment;

- (f) consumer protection;
- (g) transport;
- (h) trans-European networks;
- (i) energy;
- (j) area of freedom, security and justice;
- (k) common safety concerns in public health matters, for the aspects defined in this Treaty.

3. In the areas of research, technological development and space, the Union shall have competence to carry out activities, in particular to define and implement programmes; however, the exercise of that competence shall not result in Member States being prevented from exercising theirs.

4. In the areas of development cooperation and humanitarian aid, the Union shall have competence to carry out activities and conduct a common policy; however, the exercise of that competence shall not result in Member States being prevented from exercising theirs.

ARTICLE 2 D

1. The Member States shall coordinate their economic policies within the Union. To this end, the Council shall adopt measures, in particular broad guidelines for these policies. Specific provisions shall apply to those Member States whose currency is the euro.

2. The Union shall take measures to ensure coordination of the employment policies of the Member States, in particular by defining guidelines for these policies.

3. The Union may take initiatives to ensure coordination of Member States' social policies.

ARTICLE 2 E

The Union shall have competence to carry out actions to support, coordinate or supplement the actions of the Member States. The areas of such action shall, at European level, be:

- (a) protection and improvement of human health;
- (b) industry;
- (c) culture;
- (d) tourism;
- (e) education, vocational training, youth and sport;
- (f) civil protection;
- (g) administrative cooperation."

PROVISIONS HAVING GENERAL APPLICATION

- 13) The following title and Article 2 F shall be inserted:

"TITLE II
PROVISIONS HAVING GENERAL APPLICATION

ARTICLE 2 F

The Union shall ensure consistency between its policies and activities, taking all of its objectives into account and in accordance with the principle of conferral of powers."

- 14) Paragraph 1 of Article 3 shall be repealed. Paragraph 2 shall be left unnumbered, and the words "the activities referred to in this Article," shall be replaced by "its activities, ".
- 15) The text of Article 4 shall become Article 97b. It shall be amended as set out below in point 85.
- 16) Article 5 shall be repealed; it shall be replaced by Article 3b of the Treaty on European Union.
- 17) The following Article 5a shall be inserted:

"ARTICLE 5a

In defining and implementing its policies and activities, the Union shall take into Account requirements linked to the promotion of a high level of employment,

the guarantee of adequate social protection, the fight against social exclusion, and a high level of education, training and protection of human health."

18) The following Article 5b shall be inserted:

"ARTICLE 5b

In defining and implementing its policies and activities, the Union shall aim to combat discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation."

- 19) In Article 6, the words "referred to in Article 3" shall be deleted.
- 20) An Article 6a shall be inserted, with the wording of Article 153(2).
- 21) An Article 6b shall be inserted, with the wording of the enacting terms of the Protocol on the protection and welfare of animals; the word "fisheries" shall be inserted after "agriculture", the words "and research" shall be replaced by "research and technological development and space", and the words ", since animals are sentient beings," shall be inserted after "Member States shall".
- 22) Articles 7 to 10 shall be repealed. Articles 11 and 11a shall be replaced by Article 10 of the Treaty on European Union and by Articles 280 A and 280 I of the Treaty on the Functioning of the European Union, as set out in this Treaty in point 22 of Article 1 above and in point 278 below.
- 23) The text of Article 12 shall become Article 16 D.
- 24) The text of Article 13 shall become Article 16 E. It shall be amended as set out below at point 33.
- 25) The text of Article 14 shall become Article 22a. It shall be amended as set out below at point 41.
- 26) The text of Article 15 shall become Article 22b. It shall be amended as set out below at point 42.
- 27) Article 16 shall be amended as follows:
- (a) at the beginning, the words "Without prejudice to Articles 73, 86 and 87," shall be replaced by "Without prejudice to Article 3a of the Treaty on European Union or to Articles 73, 86 and 87 of this Treaty,";
 - (b) at the end of the sentence, the words "and conditions which enable them to fulfil their missions" shall be replaced by "and conditions, particularly

economic and financial conditions, which enable them to fulfil their missions.";

- (c) the following new sentence shall be added:

"The European Parliament and the Council, acting by means of regulations in accordance with the ordinary legislative procedure, shall establish these principles and set these conditions without prejudice to the competence of Member States, in compliance with the Treaties, to provide, to commission and to fund such services."

- 28) An Article 16 A shall be inserted, with the wording of Article 255; it shall be amended as follows:

- (a) paragraph 1 shall be preceded by the following text, paragraph 1 being renumbered 3 and paragraphs 2 and 3 becoming subparagraphs:

"1. In order to promote good governance and ensure the participation of civil society, the Union institutions, bodies, offices and agencies shall conduct their work as openly as possible.

2. The European Parliament shall meet in public, as shall the Council when considering and voting on a draft legislative act.";

- (b) in paragraph 1, renumbered 3, which shall become the first subparagraph of paragraph 3, a change shall be made to the French which does not concern the English version. The words "European Parliament, Council and Commission documents" shall be replaced by "documents of the Union institutions, bodies, offices and agencies, whatever their medium" and the words "paragraphs 2 and 3" shall be replaced by the words "this paragraph";

- (c) in paragraph 2, which shall become the second subparagraph of paragraph 1, renumbered 3, the words "by means of regulations" shall be inserted after "shall be determined by the Council" and the words "within two years of the entry into force of the Treaty of Amsterdam" shall be deleted;

- (d) in paragraph 3, which shall become the third subparagraph of paragraph 1, renumbered 3, the words "referred to above shall elaborate" shall be replaced by "shall ensure that its proceedings are transparent and shall elaborate", the words ", in accordance with the regulations referred to in the second subparagraph" shall be inserted at the end of the subparagraph and the following two new subparagraphs shall be added:

"The Court of Justice of the European Union, the European Central Bank and the European Investment Bank shall be subject to this paragraph only when exercising their administrative tasks.

The European Parliament and the Council shall ensure publication of the documents relating to the legislative procedures under the terms laid down by the regulation referred to in the second subparagraph."

- 29) An Article 16 B shall be inserted, replacing Article 286:

"ARTICLE 16 B

1. Everyone has the right to the protection of personal data concerning them.
2. The European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall lay down the rules relating to the protection of individuals with regard to the processing of personal data by Union institutions, bodies, offices and agencies, and by the Member States when carrying out activities which fall within the scope of Union law, and the rules relating to the free movement of such data. Compliance with these rules shall be subject to the control of independent authorities.

The rules adopted on the basis of this Article shall be without prejudice to the specific rules laid down in Article 25a of the Treaty on European Union."

- 30) The following new Article 16 C shall be inserted:

"ARTICLE 16 C

1. The Union respects and does not prejudice the status under national law of churches and religious associations or communities in the Member States.
2. The Union equally respects the status under national law of philosophical and non-confessional organisations.
3. Recognising their identity and their specific contribution, the Union shall maintain an open, transparent and regular dialogue with these churches and organisations."

NON-DISCRIMINATION AND CITIZENSHIP

- 31) The heading of Part Two shall be replaced by the following heading:
"NON-DISCRIMINATION AND CITIZENSHIP OF THE UNION".

- 32) An Article 16 D shall be inserted, with the wording of Article 12.
- 33) An Article 16 E shall be inserted, with the wording of Article 13; in paragraph 2, the words "when the Council adopts Community" shall be replaced by "the European Parliament and the Council, acting in accordance with the ordinary legislative procedure, may adopt the basic principles of the Union's" and the words at the end of the paragraph "it shall act in accordance with the procedure referred to in Article 251" shall be deleted.
- 34) Article 17 shall be amended as follows:
- (a) in paragraph 1, the word "complement" shall be replaced by "be additional to";
 - (b) paragraph 2 shall be replaced by the following:

"2. Citizens of the Union shall enjoy the rights and be subject to the duties provided for in the Treaties. They shall have, *inter alia*:

 - (a) the right to move and reside freely within the territory of the Member States;
 - (b) the right to vote and to stand as candidates in elections to the European Parliament and in municipal elections in their Member State of residence, under the same conditions as nationals of that State;
 - (c) the right to enjoy, in the territory of a third country in which the Member State of which they are nationals is not represented, the protection of the diplomatic and consular authorities of any Member State on the same conditions as the nationals of that State;
 - (d) the right to petition the European Parliament, to apply to the European Ombudsman, and to address the institutions and advisory bodies of the Union in any of the Treaty languages and to obtain a reply in the same language.

These rights shall be exercised in accordance with the conditions and limits defined by the Treaties and by the measures adopted thereunder."
- 35) Article 18 shall be amended as follows:
- (a) in paragraph 2, the words "the Council may adopt" shall be replaced by "the European Parliament and the Council, acting in accordance with the ordinary legislative procedure, may adopt" and the last sentence shall be deleted;

(b) paragraph 3 shall be replaced by the following:

"3. For the same purposes as those referred to in paragraph 1 and if the Treaties have not provided the necessary powers, the Council, acting in accordance with a special legislative procedure, may adopt measures concerning social security or social protection. The Council shall act unanimously after consulting the European Parliament."

36) In Article 20, the words "establish the necessary rules among themselves and" shall be replaced by "adopt the necessary provisions and". The following new paragraph shall be added:

"The Council, acting in accordance with a special legislative procedure and after consulting the European Parliament, may adopt directives establishing the coordination and cooperation measures necessary to facilitate such protection."

37) In Article 21, the following new first paragraph shall be inserted:

"The European Parliament and the Council, acting by means of regulations in accordance with the ordinary legislative procedure, shall adopt the provisions for the procedures and conditions required for a citizens' initiative within the meaning of Article 8 B of the Treaty on European Union, including the minimum number of Member States from which such citizens must come."

38) In Article 22, second paragraph, the words "the rights laid down in this Part, which it shall recommend to the Member States for adoption in accordance with their respective constitutional requirements" shall be replaced by "the rights listed in Article 17(2). These provisions shall enter into force after their approval by the Member States in accordance with their respective constitutional requirements."

39) In the heading of Part Three, the words "AND INTERNAL ACTIONS" shall be inserted after "POLICIES".

INTERNAL MARKET

40) A Title I, with the heading "THE INTERNAL MARKET" shall be inserted at the beginning of Part Three.

41) An Article 22a shall be inserted, with the wording of Article 14. Paragraph 1 shall be replaced by the following:

"1. The Union shall adopt measures with the aim of establishing or ensuring the functioning of the internal market, in accordance with the relevant provisions of the Treaties."

- 42) An Article 22b shall be inserted, with the wording of Article 15. In the first paragraph, the words "during the period of establishment" shall be replaced by "for the establishment".
- 43) Title I on the free movement of goods shall become Title Ia.
- 44) In Article 23(1), the words "shall be based upon" shall be replaced by "shall comprise".
- 45) A Chapter Ia entitled "CUSTOMS COOPERATION" shall be inserted after Article 27, and an Article 27a shall be inserted with the wording of Article 135, the last sentence of that Article being deleted.

AGRICULTURE AND FISHERIES

- 46) In the heading of Title II, the words "AND FISHERIES" shall be added.
- 47) Article 32 shall be amended as follows:
 - (a) in paragraph 1, the following new first subparagraph shall be inserted: "1. The Union shall define and implement a common agriculture and fisheries policy.", the current text of paragraph 1 shall become the second subparagraph.

In the second subparagraph, the word ", fisheries" shall be inserted after "agriculture" in the first sentence and the following sentence shall be added as the last sentence of the subparagraph: "References to the common agricultural policy or to agriculture, and the use of the term "agricultural", shall be understood as also referring to fisheries, having regard to the specific characteristics of this sector."
 - (b) in paragraph 2, the words "and functioning" shall be inserted after the word "establishment".
 - (c) in paragraph 3, the words "to this Treaty" shall be deleted.
- 48) Article 36 shall be amended as follows:
 - (a) in the first paragraph, the words "the European Parliament and" shall be inserted before "the Council" and the words "and (3)" shall be deleted;

- (b) in the second paragraph, the introductory sentence shall be replaced by the following: "The Council, on a proposal from the Commission, may authorise the granting of aid:".
- 49) Article 37 shall be amended as follows:
- (a) paragraph 1 shall be deleted;
 - (b) paragraph 2 shall be renumbered 1; the words "Having taken into account the work of the Conference provided for in paragraph 1, after consulting the Economic and Social Committee and within two years of the entry into force of the Treaty, the Commission shall submit proposals" shall be replaced by "The Commission shall submit proposals", and the third subparagraph shall be deleted;
 - (c) the following paragraphs shall be inserted as new paragraphs 2 and 3, and the remaining paragraphs shall be renumbered accordingly:
 - "2. The European Parliament and the Council, acting in accordance with the ordinary legislative procedure and after consulting the Economic and Social Committee, shall establish the common organisation of agricultural markets provided for in Article 34(1) and the other provisions necessary for the pursuit of the objectives of the common agricultural policy and the common fisheries policy;
 - 3. The Council, on a proposal from the Commission, shall adopt measures on fixing prices, levies, aid and quantitative limitations and on the fixing and allocation of fishing opportunities.";
 - (d) in the introductory words to paragraph 3 renumbered 4, the words "The Council may, acting by a qualified majority and in accordance with paragraph 2, replace the national market organisations by the common organisation" shall be replaced by "In accordance with paragraph 2, the national market organisations may be replaced by the common organisation" and the reference to paragraph 2 shall be a reference to the new paragraph 2;
 - (e) at the beginning of paragraph 4 renumbered 5, a change shall be made to the French which does not concern the English version.

FREE MOVEMENT OF WORKERS

- 50) In Article 39(3)(d), the word "implementing" shall be deleted.

51) Article 42 shall be amended as follows:

- (a) in the first paragraph, the words "migrant workers and their dependants:" shall be replaced by "employed and self-employed migrant workers and their dependants:";
- (b) the last paragraph shall be replaced by the following:

"Where a member of the Council declares that a draft legislative act referred to in the first subparagraph would affect important aspects of its social security system, including its scope, cost or financial structure, or would affect the financial balance of that system, it may request that the matter be referred to the European Council. In that case, the ordinary legislative procedure shall be suspended. After discussion, the European Council shall, within four months of this suspension, either:

- (a) refer the draft back to the Council, which shall terminate the suspension of the ordinary legislative procedure; or
- (b) take no action or request the Commission to submit a new proposal; in that case, the act originally proposed shall be deemed not to have been adopted."

FREEDOM OF ESTABLISHMENT

52) In Article 44(2), the words "The European Parliament," shall be inserted at the beginning of the paragraph.

53) In Article 45, second paragraph, the words "The Council may, acting by a qualified majority on a proposal from the Commission," shall be replaced by "The European Parliament and the Council, acting in accordance with the ordinary legislative procedure, may".

54) Article 47 shall be amended as follows:

- (a) the following phrase shall be added at the end of paragraph 1: "and for the coordination of the provisions laid down by law, regulation or administrative action in Member States concerning the taking-up and pursuit of activities as self-employed persons.";
- (b) paragraph 2 shall be deleted and paragraph 3 shall be renumbered 2; a change shall be made to the French which does not concern the English version.

55) An Article 48a shall be inserted, with the wording of Article 294.

SERVICES

56) Article 49 shall be amended as follows:

- (a) in the first paragraph, the words "State of the Community" shall be replaced by "Member State";
- (b) in the second paragraph, the words "The Council may, acting by a qualified majority on a proposal from the Commission, extend" shall be replaced by "The European Parliament and the Council, acting in accordance with the ordinary legislative procedure, may extend".

57) In Article 50, third paragraph, the words "the State" shall be replaced by "the Member State".

58) In Article 52(1), the words "the Council shall, on a proposal from the Commission and after consulting the Economic and Social Committee and the European Parliament, issue" shall be replaced by "the European Parliament and the Council, acting in accordance with the ordinary legislative procedure and after consulting the Economic and Social Committee, shall issue".

59) In Article 53, the words "declare their readiness to" shall be replaced by "shall endeavour to".

CAPITAL

60) In Article 57(2), the words "the Council may, acting by a qualified majority on a proposal from the Commission, adopt measures" shall be replaced by "the European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall adopt the measures" and the last sentence of paragraph 2 shall become paragraph 3, reading as follows:

"3. Notwithstanding paragraph 2, only the Council, acting in accordance with a special legislative procedure, may unanimously, and after consulting the European Parliament, adopt measures which constitute a step backwards in Union law as regards the liberalisation of the movement of capital to or from third countries."

61) In Article 58, the following new paragraph 4 shall be added:

"4. In the absence of measures pursuant to Article 57(3), the Commission or, in the absence of a Commission decision within three months from the request of the Member State concerned, the Council, may adopt a decision stating that

restrictive tax measures adopted by a Member State concerning one or more third countries are to be considered compatible with the Treaties insofar as they are justified by one of the objectives of the Union and compatible with the proper functioning of the internal market. The Council shall act unanimously on application by a Member State."

- 62) Article 60 shall become Article 61 H. It shall be amended as set out below in point 64.

AREA OF FREEDOM, SECURITY AND JUSTICE:

- 63) A Title IV, with the heading "AREA OF FREEDOM, SECURITY AND JUSTICE", shall replace the Title IV on visas, asylum, immigration, and other policies related to free movement of persons. Title IV shall contain the following Chapters:

Chapter 1: General provisions

Chapter 2: Policies on border checks, asylum and immigration

Chapter 3: Judicial cooperation in civil matters

Chapter 4: Judicial cooperation in criminal matters

Chapter 5: Police cooperation.

GENERAL PROVISIONS

- 64) Article 61 shall be replaced by the following Chapter 1 and Articles 61 to 61 I. Article 61 shall also replace the current Article 29 of the Treaty on European Union, Article 61 D shall replace Article 36 thereof, Article 61 E shall replace Article 64(1) of the Treaty establishing the European Community and the current Article 33 of the Treaty on European Union, Article 61G shall replace Article 66 of the Treaty establishing the European Community and Article 61 H shall take over Article 60 thereof, as set out in point 62 above:

"CHAPTER 1 GENERAL PROVISIONS

ARTICLE 61

1. The Union shall constitute an area of freedom, security and justice with respect for fundamental rights and the different legal systems and traditions of the Member States.

2. It shall ensure the absence of internal border controls for persons and shall frame a common policy on asylum, immigration and external border control, based on solidarity between Member States, which is fair towards third-country

nationals. For the purpose of this Title, stateless persons shall be treated as third-country nationals.

3. The Union shall endeavour to ensure a high level of security through measures to prevent and combat crime, racism and xenophobia, and through measures for coordination and cooperation between police and judicial authorities and other competent authorities, as well as through the mutual recognition of judgments in criminal matters and, if necessary, through the approximation of criminal laws.

4. The Union shall facilitate access to justice, in particular through the principle of mutual recognition of judicial and extrajudicial decisions in civil matters.

ARTICLE 61 A

The European Council shall define the strategic guidelines for legislative and Operational planning within the area of freedom, security and justice.

ARTICLE 61 B

National Parliaments ensure that the proposals and legislative initiatives submitted under Chapters 4 and 5 comply with the principle of subsidiarity, in accordance with the arrangements laid down by the Protocol on the application of the principles of subsidiarity and proportionality.

ARTICLE 61 C

Without prejudice to Articles 226, 227 and 228, the Council may, on a proposal from the Commission, adopt measures laying down the arrangements whereby Member States, in collaboration with the Commission, conduct objective and impartial evaluation of the implementation of the Union policies referred to in this Title by Member States' authorities, in particular in order to facilitate full application of the principle of mutual recognition. The European Parliament and national Parliaments shall be informed of the content and results of the evaluation.

ARTICLE 61 D

A standing committee shall be set up within the Council in order to ensure that Operational cooperation on internal security is promoted and strengthened within

the Union. Without prejudice to Article 207, it shall facilitate coordination of the action of Member States' competent authorities. Representatives of the Union bodies, offices and agencies concerned may be involved in the proceedings of this committee. The European Parliament and national Parliaments shall be kept informed of the proceedings.

ARTICLE 61 E

This Title shall not affect the exercise of the responsibilities incumbent upon Member States with regard to the maintenance of law and order and the safeguarding of internal security.

ARTICLE 61 F

It shall be open to Member States to organise between themselves and under their responsibility such forms of cooperation and coordination as they deem appropriate between the competent departments of their administrations responsible for safeguarding national security.

ARTICLE 61 G

The Council shall adopt measures to ensure administrative cooperation between the relevant departments of the Member States in the areas covered by this Title, as well as between those departments and the Commission. It shall act on a Commission proposal, subject to Article 61 I, and after consulting the European Parliament.

ARTICLE 61 H

Where necessary to achieve the objectives set out in Article 61, as regards preventing and combating terrorism and related activities, the European Parliament and the Council, acting by means of regulations in accordance with the ordinary legislative procedure, shall define a framework for administrative measures with regard to capital movements and payments, such as the freezing of funds, financial assets or economic gains belonging to, or owned or held by, natural or legal persons, groups or non-State entities. The Council, on a proposal from the Commission, shall adopt measures to implement the framework referred to in the first paragraph. The acts referred to in this Article shall include necessary provisions on legal safeguards.

ARTICLE 61 I

The acts referred to in Chapters 4 and 5, together with the measures referred to in Article 61 G which ensure administrative cooperation in the areas covered by these Chapters, shall be adopted:

- (a) on a proposal from the Commission, or
- (b) on the initiative of a quarter of the Member States."

BORDER CHECKS, ASYLUM AND IMMIGRATION

- 65) Articles 62 to 64 shall be replaced by the following Chapter 2 and Articles 62 to 63b. Article 62 shall replace Article 62, paragraphs 1 and 2 of Article 63 shall replace points 1 and 2 of Article 63, paragraph 3 of Article 63 shall replace paragraph 2 of Article 64 and Article 63a shall replace points 3 and 4 of Article 63:

"CHAPTER 2 POLICIES ON BORDER CHECKS, ASYLUM AND IMMIGRATION ARTICLE 62

1. The Union shall develop a policy with a view to:
 - (a) ensuring the absence of any controls on persons, whatever their nationality, when crossing internal borders;
 - (b) carrying out checks on persons and efficient monitoring of the crossing of external borders;
 - (c) the gradual introduction of an integrated management system for external borders.
2. For the purposes of paragraph 1, the European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall adopt measures concerning:
 - (a) the common policy on visas and other short-stay residence permits;
 - (b) the checks to which persons crossing external borders are subject;
 - (c) the conditions under which nationals of third countries shall have the freedom to travel within the Union for a short period;

- (d) any measure necessary for the gradual establishment of an integrated management system for external borders;
- (e) the absence of any controls on persons, whatever their nationality, when crossing internal borders.

3. If action by the Union should prove necessary to facilitate the exercise of the right referred to in Article 17(2)(a), and if the Treaties have not provided the necessary powers, the Council, acting in accordance with a special legislative procedure, may adopt provisions concerning passports, identity cards, residence permits or any other such document. The Council shall act unanimously after consulting the European Parliament.

4. This Article shall not affect the competence of the Member States concerning the geographical demarcation of their borders, in accordance with international law.

ARTICLE 63

1. The Union shall develop a common policy on asylum, subsidiary protection and temporary protection with a view to offering appropriate status to any third-country national requiring international protection and ensuring compliance with the principle of *non-refoulement*. This policy must be in accordance with the Geneva Convention of 28 July 1951¹ and the Protocol of 31 January 1967 relating to the status of refugees, and other relevant treaties.

2. For the purposes of paragraph 1, the European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall adopt measures for a common European asylum system comprising:

- (a) a uniform status of asylum for nationals of third countries, valid throughout the Union;
- (b) a uniform status of subsidiary protection for nationals of third countries who, without obtaining European asylum, are in need of international protection;
- (c) a common system of temporary protection for displaced persons in the event of a massive inflow;
- (d) common procedures for the granting and withdrawing of uniform asylum or subsidiary protection status;

¹ Treaty Series No.39 (1954) Cmd 9171

- (e) criteria and mechanisms for determining which Member State is responsible for considering an application for asylum or subsidiary protection;
 - (f) standards concerning the conditions for the reception of applicants for asylum or subsidiary protection;
 - (g) partnership and cooperation with third countries for the purpose of managing inflows of people applying for asylum or subsidiary or temporary protection.
3. In the event of one or more Member States being confronted by an emergency situation characterised by a sudden inflow of nationals of third countries, the Council, on a proposal from the Commission, may adopt provisional measures for the benefit of the Member State(s) concerned. It shall act after consulting the European Parliament.

ARTICLE 63a

1. The Union shall develop a common immigration policy aimed at ensuring, at all stages, the efficient management of migration flows, fair treatment of third-country nationals residing legally in Member States, and the prevention of, and enhanced measures to combat, illegal immigration and trafficking in human beings.
2. For the purposes of paragraph 1, the European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall adopt measures in the following areas:
- (a) the conditions of entry and residence, and standards on the issue by Member States of long-term visas and residence permits, including those for the purpose of family reunification;
 - (b) the definition of the rights of third-country nationals residing legally in a Member State, including the conditions governing freedom of movement and of residence in other Member States;
 - (c) illegal immigration and unauthorised residence, including removal and repatriation of persons residing without authorisation;
 - (d) combating trafficking in persons, in particular women and children.
3. The Union may conclude agreements with third countries for the readmission to their countries of origin or provenance of third-country nationals

who do not or who no longer fulfil the conditions for entry, presence or residence in the territory of one of the Member States.

4. The European Parliament and the Council, acting in accordance with the ordinary legislative procedure, may establish measures to provide incentives and support for the action of Member States with a view to promoting the integration of third-country nationals residing legally in their territories, excluding any harmonisation of the laws and regulations of the Member States.

5. This Article shall not affect the right of Member States to determine volumes of admission of third-country nationals coming from third countries to their territory in order to seek work, whether employed or self-employed.

ARTICLE 63b

The policies of the Union set out in this Chapter and their implementation shall be governed by the principle of solidarity and fair sharing of responsibility, including its financial implications, between the Member States. Whenever necessary, the Union acts adopted pursuant to this Chapter shall contain appropriate measures to give effect to this principle."

JUDICIAL COOPERATION IN CIVIL MATTERS

66) Article 65 shall be replaced by the following Chapter 3 and Article 65:

"CHAPTER 3 JUDICIAL COOPERATION IN CIVIL MATTERS

ARTICLE 65

1. The Union shall develop judicial cooperation in civil matters having cross-Border implications, based on the principle of mutual recognition of judgments and of decisions in extrajudicial cases. Such cooperation may include the adoption of measures for the approximation of the laws and regulations of the Member States.

2. For the purposes of paragraph 1, the European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall adopt measures, particularly when necessary for the proper functioning of the internal market, aimed at ensuring:

(a) the mutual recognition and enforcement between Member States of judgments and of decisions in extrajudicial cases;

- (b) the cross-border service of judicial and extrajudicial documents;
- (c) the compatibility of the rules applicable in the Member States concerning conflict of laws and of jurisdiction;
- (d) cooperation in the taking of evidence;
- (e) effective access to justice;
- (f) the elimination of obstacles to the proper functioning of civil proceedings, if necessary by promoting the compatibility of the rules on civil procedure applicable in the Member States;
- (g) the development of alternative methods of dispute settlement;
- (h) support for the training of the judiciary and judicial staff.

3. Notwithstanding paragraph 2, measures concerning family law with cross-border implications shall be established by the Council, acting in accordance with a special legislative procedure. The Council shall act unanimously after consulting the European Parliament.

The Council, on a proposal from the Commission, may adopt a decision determining those aspects of family law with cross-border implications which may be the subject of acts adopted by the ordinary legislative procedure. The Council shall act unanimously after consulting the European Parliament.

The proposal referred to in the second subparagraph shall be notified to the national Parliaments. If a national Parliament makes known its opposition within six months of the date of such notification, the decision shall not be adopted. In the absence of opposition, the Council may adopt the decision."

JUDICIAL COOPERATION IN CRIMINAL MATTERS

- 67) Article 66 shall be replaced by Article 61 G, as set out in point 64 above, and Articles 67 to 69 shall be repealed. The following Chapter 4 and Articles 69 A to 69 E shall be inserted. Articles 69 A, 69 B and 69 D shall replace the current Article 31 of the Treaty on European Union, as set out above in point 51 of Article 1 of this Treaty:

"CHAPTER 4
JUDICIAL COOPERATION IN CRIMINAL MATTERS

ARTICLE 69 A

1. Judicial cooperation in criminal matters in the Union shall be based on the principle of mutual recognition of judgments and judicial decisions and shall include the approximation of the laws and regulations of the Member States in the areas referred to in paragraph 2 and in Article 69 B.
The European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall adopt measures to:

- (a) lay down rules and procedures for ensuring recognition throughout the Union of all forms of judgments and judicial decisions;
- (b) prevent and settle conflicts of jurisdiction between Member States;
- (c) support the training of the judiciary and judicial staff;
- (d) facilitate cooperation between judicial or equivalent authorities of the Member States in relation to proceedings in criminal matters and the enforcement of decisions.

2. To the extent necessary to facilitate mutual recognition of judgments and Judicial decisions and police and judicial cooperation in criminal matters having a cross-border dimension, the European Parliament and the Council may, by means of directives adopted in accordance with the ordinary legislative procedure, establish minimum rules. Such rules shall take into account the differences between the legal traditions and systems of the Member States.

They shall concern:

- (a) mutual admissibility of evidence between Member States;
- (b) the rights of individuals in criminal procedure;
- (c) the rights of victims of crime;
- (d) any other specific aspects of criminal procedure which the Council has identified in advance by a decision; for the adoption of such a decision, the Council shall act unanimously after obtaining the consent of the European Parliament.

Adoption of the minimum rules referred to in this paragraph shall not prevent Member States from maintaining or introducing a higher level of protection for individuals.

3. Where a member of the Council considers that a draft directive as referred to in paragraph 2 would affect fundamental aspects of its criminal justice system, it may request that the draft directive be referred to the European Council. In that case, the ordinary legislative procedure shall be suspended. After discussion, and in case of a consensus, the European Council shall, within four months of this suspension, refer the draft back to the Council, which shall terminate the suspension of the ordinary legislative procedure.

Within the same timeframe, in case of disagreement, and if at least nine Member States wish to establish enhanced cooperation on the basis of the draft directive concerned, they shall notify the European Parliament, the Council and the Commission accordingly. In such a case, the authorisation to proceed with enhanced cooperation referred to in Article 10(2) of the Treaty on European Union and Article 280 D(1) of this Treaty shall be deemed to be granted and the provisions on enhanced cooperation shall apply.

ARTICLE 69 B

1. The European Parliament and the Council may, by means of directives adopted in accordance with the ordinary legislative procedure, establish minimum rules concerning the definition of criminal offences and sanctions in the areas of particularly serious crime with a cross-border dimension resulting from the nature or impact of such offences or from a special need to combat them on a common basis.

These areas of crime are the following: terrorism, trafficking in human beings and sexual exploitation of women and children, illicit drug trafficking, illicit arms trafficking, money laundering, corruption, counterfeiting of means of payment, computer crime and organised crime.

On the basis of developments in crime, the Council may adopt a decision identifying other areas of crime that meet the criteria specified in this paragraph. It shall act unanimously after obtaining the consent of the European Parliament.

2. If the approximation of criminal laws and regulations of the Member States proves essential to ensure the effective implementation of a Union policy in an area which has been subject to harmonisation measures, directives may establish minimum rules with regard to the definition of criminal offences and sanctions in the area concerned. Such directives shall be adopted by the same ordinary or

special legislative procedure as was followed for the adoption of the harmonisation measures in question, without prejudice to Article 61 I.

3. Where a member of the Council considers that a draft directive as referred to in paragraph 1 or 2 would affect fundamental aspects of its criminal justice system, it may request that the draft directive be referred to the European Council. In that case, the ordinary legislative procedure shall be suspended. After discussion, and in case of a consensus, the European Council shall, within four months of this suspension, refer the draft back to the Council, which shall terminate the suspension of the ordinary legislative procedure.

Within the same timeframe, in case of disagreement, and if at least nine Member States wish to establish enhanced cooperation on the basis of the draft directive concerned, they shall notify the European Parliament, the Council and the Commission accordingly. In such a case, the authorisation to proceed with enhanced cooperation referred to in Article 10(2) of the Treaty on European Union and Article 280 D(1) of this Treaty shall be deemed to be granted and the provisions on enhanced cooperation shall apply.

ARTICLE 69 C

The European Parliament and the Council, acting in accordance with the ordinary legislative procedure, may establish measures to promote and support the action of Member States in the field of crime prevention, excluding any harmonisation of the laws and regulations of the Member States.

ARTICLE 69 D

1. Eurojust's mission shall be to support and strengthen coordination and Cooperation between national investigating and prosecuting authorities in relation to serious crime affecting two or more Member States or requiring a prosecution on common bases, on the basis of operations conducted and information supplied by the Member States' authorities and by Europol.

In this context, the European Parliament and the Council, by means of regulations adopted in accordance with the ordinary legislative procedure, shall determine Eurojust's structure, operation, field of action and tasks. These tasks may include:

- (a) the initiation of criminal investigations, as well as proposing the initiation of prosecutions conducted by competent national authorities, particularly those relating to offences against the financial interests of the Union;

- (b) the coordination of investigations and prosecutions referred to in point (a);
- (c) the strengthening of judicial cooperation, including by resolution of conflicts of jurisdiction and by close cooperation with the European Judicial Network.

These regulations shall also determine arrangements for involving the European Parliament and national Parliaments in the evaluation of Eurojust's activities.

2. In the prosecutions referred to in paragraph 1, and without prejudice to Article 69 E, formal acts of judicial procedure shall be carried out by the competent national officials.

ARTICLE 69 E

1. In order to combat crimes affecting the financial interests of the Union, the Council, by means of regulations adopted in accordance with a special legislative procedure, may establish a European Public Prosecutor's Office from Eurojust. The Council shall act unanimously after obtaining the consent of the European Parliament.

In the absence of unanimity, a group of at least nine Member States may request that the draft regulation be referred to the European Council. In that case, the procedure in the Council shall be suspended. After discussion, and in case of a consensus, the European Council shall, within four months of this suspension, refer the draft back to the Council for adoption.

Within the same timeframe, in case of disagreement, and if at least nine Member States wish to establish enhanced cooperation on the basis of the draft regulation concerned, they shall notify the European Parliament, the Council and the Commission accordingly. In such a case, the authorisation to proceed with enhanced cooperation referred to in Article 10(2) of the Treaty on European Union and Article 280 D(1) of this Treaty shall be deemed to be granted and the provisions on enhanced cooperation shall apply.

2. The European Public Prosecutor's Office shall be responsible for investigating, prosecuting and bringing to judgment, where appropriate in liaison with Europol, the perpetrators of, and accomplices in, offences against the Union's financial interests, as determined by the regulation provided for in paragraph 1. It shall exercise the functions of prosecutor in the competent courts of the Member States in relation to such offences.

3. The regulations referred to in paragraph 1 shall determine the general rules applicable to the European Public Prosecutor's Office, the conditions governing the performance of its functions, the rules of procedure applicable to its

activities, as well as those governing the admissibility of evidence, and the rules applicable to the judicial review of procedural measures taken by it in the performance of its functions.

4. The European Council may, at the same time or subsequently, adopt a decision amending paragraph 1 in order to extend the powers of the European Public Prosecutor's Office to include serious crime having a cross-border dimension and amending accordingly paragraph 2 as regards the perpetrators of, and accomplices in, serious crimes affecting more than one Member State. The European Council shall act unanimously after obtaining the consent of the European Parliament and after consulting the Commission."

POLICE COOPERATION

68) The following Chapter 5 and Articles 69 F, 69 G and 69 H shall be inserted. Articles 69 F and 69 G shall replace the current Article 30 of the Treaty on European Union, and Article 69 H shall replace Article 32 thereof, as set out above in point 51 of Article 1 of this Treaty:

"CHAPTER 5 POLICE COOPERATION

ARTICLE 69 F

1. The Union shall establish police cooperation involving all the Member States' competent authorities, including police, customs and other specialised law enforcement services in relation to the prevention, detection and investigation of criminal offences.

2. For the purposes of paragraph 1, the European Parliament and the Council, acting in accordance with the ordinary legislative procedure, may establish measures concerning:

- (a) the collection, storage, processing, analysis and exchange of relevant information;
- (b) support for the training of staff, and cooperation on the exchange of staff, on equipment and on research into crime-detection;
- (c) common investigative techniques in relation to the detection of serious forms of organised crime.

3. The Council, acting in accordance with a special legislative procedure, may establish measures concerning operational cooperation between the

authorities referred to in this Article. The Council shall act unanimously after consulting the European Parliament.

In case of the absence of unanimity in the Council, a group of at least nine Member States may request that the draft measures be referred to the European Council. In that case, the procedure in the Council shall be suspended. After discussion, and in case of a consensus, the European Council shall, within four months of this suspension, refer the draft back to the Council for adoption.

Within the same timeframe, in case of disagreement, and if at least nine Member States wish to establish enhanced cooperation on the basis of the draft measures concerned, they shall notify the European Parliament, the Council and the Commission accordingly. In such a case, the authorisation to proceed with enhanced cooperation referred to in Article 10(2) of the Treaty on European Union and Article 280 D(1) of this Treaty shall be deemed to be granted and the provisions on enhanced cooperation shall apply.

The specific procedure provided for in the second and third subparagraphs shall not apply to acts which constitute a development of the Schengen *acquis*.

ARTICLE 69 G

1. Europol's mission shall be to support and strengthen action by the Member States' police authorities and other law enforcement services and their mutual cooperation in preventing and combating serious crime affecting two or more Member States, terrorism and forms of crime which affect a common interest covered by a Union policy.

2. The European Parliament and the Council, by means of regulations adopted in accordance with the ordinary legislative procedure, shall determine Europol's structure, operation, field of action and tasks. These tasks may include:

- (a) the collection, storage, processing, analysis and exchange of information, in particular that forwarded by the authorities of the Member States or third countries or bodies;
- (b) the coordination, organisation and implementation of investigative and operational action carried out jointly with the Member States' competent authorities or in the context of joint investigative teams, where appropriate in liaison with Eurojust.

These regulations shall also lay down the procedures for scrutiny of Europol's activities by the European Parliament, together with national Parliaments.

3. Any operational action by Europol must be carried out in liaison and in agreement with the authorities of the Member State or States whose territory is concerned. The application of coercive measures shall be the exclusive responsibility of the competent national authorities.

ARTICLE 69 H

The Council, acting in accordance with a special legislative procedure, shall lay down the conditions and limitations under which the competent authorities of the Member States referred to in Articles 69 A and 69 F may operate in the territory of another Member State in liaison and in agreement with the authorities of that State. The Council shall act unanimously after consulting the European Parliament."

TRANSPORT

- 69) In Article 70, the words "of this Treaty" shall be replaced by "of the Treaties" and the words "by Member States" shall be deleted.
- 70) In Article 71, paragraph 2 shall be replaced by the following:
"2. When the measures referred to in paragraph 1 are adopted, account shall be taken of cases where their application might seriously affect the standard of living and level of employment in certain regions, and the operation of transport facilities."
- 71) At the beginning of Article 72, the words ", without the unanimous approval of the Council, "shall be replaced by ", unless the Council has unanimously adopted a measure granting a derogation,".
- 72) Article 75 shall be amended as follows:
- (a) in paragraph 1, the words "shall be abolished" shall be replaced by "shall be prohibited";
 - (b) in paragraph 2, the words "the Council" shall be replaced by "the European Parliament and the Council";
 - (c) in the first subparagraph of paragraph 3, the words "the Economic and Social Committee" shall be replaced by "the European Parliament and the Economic and Social Committee".

73) In Article 78, the following sentence shall be added:

"Five years after the entry into force of the Treaty of Lisbon, the Council, acting on a proposal from the Commission, may adopt a decision repealing this Article."

74) In Article 79, the phrase "without prejudice to the powers of the Economic and Social Committee" shall be deleted.

75) In Article 80, paragraph 2 shall be replaced by the following:

"2. The European Parliament and the Council, acting in accordance with the ordinary legislative procedure, may lay down appropriate provisions for sea and air transport. They shall act after consulting the Economic and Social Committee and the Committee of the Regions."

RULES ON COMPETITION

76) In Article 85, the following new paragraph 3 shall be added:

"3. The Commission may adopt regulations relating to the categories of agreement in respect of which the Council has adopted a regulation or a directive pursuant to Article 83(2)(b)."

77) Article 87 shall be amended as follows:

(a) in paragraph 2, the following sentence shall be added at the end of point (c):

"Five years after the entry into force of the Treaty of Lisbon, the Council, acting on a proposal from the Commission, may adopt a decision repealing this point.";

(b) in paragraph 3, the following words shall be added at the end of point (a):
", and of the regions referred to in Article 299, in view of their structural, economic and social situation;"

78) In Article 88, the following new paragraph 4 shall be added:

"4. The Commission may adopt regulations relating to the categories of State aid that the Council has, pursuant to Article 89, determined may be exempted from the procedure provided for by paragraph 3 of this Article."

TAX PROVISIONS

- 79) At the end of Article 93, the words "within the time limit laid down in Article 14" shall be replaced by "and to avoid distortion of competition."

APPROXIMATION OF LAWS

- 80) The order of Articles 94 and 95 shall be reversed. Article 94 shall be renumbered 95 and Article 95 shall be renumbered 94.
- 81) Article 95, renumbered 94, shall be amended as follows:
- (a) at the beginning of paragraph 1, the words "By way of derogation from Article 94 and" shall be deleted;
 - (b) at the beginning of paragraph 4, the words "If, after the adoption by the Council or by the Commission of a harmonisation measure," shall be replaced by "If, after the adoption of a harmonisation measure by the European Parliament and the Council, by the Council or by the Commission,";
 - (c) at the beginning of paragraph 5, the words "Moreover, without prejudice to paragraph 4, if, after the adoption by the Council or by the Commission of a harmonisation measure, " shall be replaced by "Moreover, without prejudice to paragraph 4, if, after the adoption of a harmonisation measure by the European Parliament and the Council, by the Council or by the Commission,";
 - (d) in paragraph 10, the words "Community control procedure" shall be replaced by "Union control procedure".
- 82) In Article 94, renumbered 95, the words "Without prejudice to Article 94," shall be inserted at the beginning.
- 83) In Article 96, second paragraph, first sentence, the words ", the Council shall, on a proposal from the Commission, acting by a qualified majority, issue" shall be replaced by ", the European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall issue". The second sentence shall be replaced by "Any other appropriate measures provided for in the Treaties may be adopted."

INTELLECTUAL PROPERTY

- 84) The following new Article 97a shall be inserted as the final article of Title VI:

"ARTICLE 97a

In the context of the establishment and functioning of the internal market, the European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall establish measures for the creation of European intellectual property rights to provide uniform protection of intellectual property rights throughout the Union and for the setting up of centralised Union-wide authorisation, coordination and supervision arrangements.

The Council, acting in accordance with a special legislative procedure, shall by means of regulations establish language arrangements for the European intellectual property rights. The Council shall act unanimously after consulting the European Parliament."

ECONOMIC AND MONETARY POLICY

- 85) An Article 97b shall be inserted as the first article of Title VII, with the wording of Article 4; it shall be amended as follows:

- (a) in paragraph 1, the words "and in accordance with the timetable set out therein" shall be deleted;
- (b) in paragraph 2, the words "Concurrently with the foregoing, and as provided in this Treaty and in accordance with the timetable and the procedures set out therein, these activities shall include the irrevocable fixing of exchange rates leading to the introduction of a single currency, the ecu," shall be replaced by "Concurrently with the foregoing, and as provided in the Treaties and in accordance with the procedures set out therein, these activities shall include a single currency, the euro,".

- 86) Article 99 shall be amended as follows:

- (a) in paragraph 4, the first sentence of the first subparagraph shall be replaced by the following two sentences:

"Where it is established, under the procedure referred to in paragraph 3, that the economic policies of a Member State are not consistent with the broad guidelines referred to in paragraph 2 or that they risk jeopardising the proper functioning of economic and monetary union, the Commission may address a warning to the Member State concerned. The Council, on a

recommendation from the Commission, may address the necessary recommendations to the Member State concerned.";

- (b) the second subparagraph of paragraph 4 shall become paragraph 5 and the current paragraph 5 shall be renumbered 6;
- (c) the following two new subparagraphs shall be inserted in paragraph 4:

"Within the scope of this paragraph, the Council shall act without taking into account the vote of the member of the Council representing the Member State concerned.

A qualified majority of the other members of the Council shall be defined in accordance with Article 205(3)(a).";

- (d) in paragraph 5, renumbered 6, the words "The Council, acting in accordance with the procedure referred to in Article 252, may adopt detailed rules" shall be replaced by the following: "The European Parliament and the Council, acting by means of regulations in accordance with the ordinary legislative procedure, may adopt detailed rules", the words "of this Article" shall be deleted.

DIFFICULTIES IN THE SUPPLY OF CERTAIN PRODUCTS (ENERGY)

- 87) In Article 100, paragraph 1 shall be replaced by the following:

"1. Without prejudice to any other procedures provided for in the Treaties, the Council, on a proposal from the Commission, may decide, in a spirit of solidarity between Member States, upon the measures appropriate to the economic situation, in particular if severe difficulties arise in the supply of certain products, notably in the area of energy."

OTHER PROVISIONS – ECONOMIC AND MONETARY POLICY

- 88) In Article 102, paragraph 2 shall be deleted and paragraph 1 shall not be numbered;

- 89) In Article 103, paragraph 2 shall be replaced by the following:

"2. The Council, on a proposal from the Commission and after consulting the European Parliament, may, as required, specify definitions for the application of the prohibitions referred to in Articles 101 and 102 and in this Article."

EXCESSIVE DEFICIT PROCEDURE

90) Article 104 shall be amended as follows:

(a) paragraph 5 shall be replaced by the following:

"5. If the Commission considers that an excessive deficit in a Member State exists or may occur, it shall address an opinion to the Member State concerned and shall inform the Council accordingly.";

(b) in paragraph 6, the word "recommendation" shall be replaced by "proposal";

(c) in paragraph 7, the first sentence shall be replaced by "Where the Council decides, in accordance with paragraph 6, that an excessive deficit exists, it shall adopt, without undue delay, on a recommendation from the Commission, recommendations addressed to the Member State concerned with a view to bringing that situation to an end within a given period.";

(d) in the introductory words of the first subparagraph of paragraph 11, there is a change to the French which does not affect the English version;

(e) in paragraph 12, at the beginning of the first sentence, the words "its decisions" shall be replaced by "its decisions or recommendations";

(f) paragraph 13 shall be replaced by the following:

"13. When taking the decisions or recommendations referred to in paragraphs 8, 9, 11 and 12, the Council shall act on a recommendation from the Commission.

When the Council adopts the measures referred to in paragraphs 6 to 9, 11 and 12, it shall act without taking into account the vote of the member of the Council representing the Member State concerned.

A qualified majority of the other members of the Council shall be defined in accordance with Article 205(3)(a).";

(g) in paragraph 14, third subparagraph, the words ", before 1 January 1994" shall be deleted.

MONETARY POLICY

91) Article 105 shall be amended as follows:

- (a) in the first sentence of paragraph 1, “ESCB” shall be replaced by “European System of Central Banks, hereinafter referred to as “the ESCB””;
- (b) in the second indent of paragraph 2, the reference to Article 111 shall be replaced by a reference to Article 188 O;
- (c) The text of paragraph 6 shall be replaced by the following:

"6. The Council, acting by means of regulations in accordance with a special legislative procedure, may unanimously, and after consulting the European Parliament and the European Central Bank, confer specific tasks upon the European Central Bank concerning policies relating to the prudential supervision of credit institutions and other financial institutions with the exception of insurance undertakings."

92) Article 106 shall be amended as follows:

- (a) in paragraph 1, first sentence, the word "euro" shall be inserted before "banknotes";
- (b) in paragraph 2, first sentence, the word "euro" shall be inserted before "coins"; at the beginning of the second sentence, the words "The Council may, acting in accordance with the procedure referred to in Article 252 and after consulting the ECB" shall be replaced by: "The Council, on a proposal from the Commission and after consulting the European Parliament and the European Central Bank, may".

93) Article 107 shall be amended as follows:

- (a) paragraphs 1 and 2 shall be deleted and paragraphs 3, 4, 5 and 6 shall be renumbered 1, 2, 3 and 4 respectively;
- (b) in paragraph 4, renumbered 2, the words "Statute of the ESCB" shall be replaced by the following: "Statute of the European System of Central Banks and of the European Central Bank, hereinafter referred to as “the Statute of the ESCB and of the ECB””;
- (c) paragraph 5, renumbered 3, shall be replaced by the following:

"3. Articles 5.1, 5.2, 5.3, 17, 18, 19.1, 22, 23, 24, 26, 32.2, 32.3, 32.4, 32.6, 33.1(a) and 36 of the Statute of the ESCB and of the ECB may be amended by the European Parliament and the Council, acting in accordance with the ordinary legislative procedure. They shall act either on a recommendation from the European Central Bank and after consulting

the Commission or on a proposal from the Commission and after consulting the European Central Bank."

- 94) In Article 109, the words ", at the latest at the date of the establishment of the ESCB," shall be deleted.
- 95) In Article 110, the first four subparagraphs of paragraph 2 shall be deleted.

MEASURES RELATING TO USE OF THE EURO

- 96) In Article 111, paragraphs 1 to 3 and 5 shall become, respectively, paragraphs 1 to 4 of Article 188 O; they shall be amended as set out below in point 174. The text of paragraph 4 shall become paragraph 1 of Article 115 C; it shall be amended as set out below in point 100.
- 97) The following Article 111a shall be inserted:

"ARTICLE 111a

Without prejudice to the powers of the European Central Bank, the European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall lay down the measures necessary for the use of the euro as the single currency. Such measures shall be adopted after consultation of the European Central Bank."

INSTITUTIONAL PROVISIONS (EMU)

- 98) The text of Article 112 shall become Article 245b, and shall be amended as set out in point 228 below. The text of Article 113 shall become Article 245c.
- 99) Article 114 shall be amended as follows:
- (a) in paragraph 1, first subparagraph, the words "a Monetary Committee with advisory status" shall be replaced by "an Economic and Financial Committee";
 - (b) in paragraph 1, the second and third subparagraphs shall be deleted;
 - (c) in paragraph 2, the first subparagraph shall be deleted; in the third indent, the reference to paragraphs 2, 3, 4 and 5 of Article 99 shall be replaced by a reference to paragraphs 2, 3, 4 and 6 of Article 99, and the references to paragraph 2 of Article 122 and to paragraphs 4 and 5 of Article 123 shall be replaced by a reference to paragraphs 2 and 3 of Article 117a; in the

fourth indent, the words “of this Treaty” shall be replaced by “of the Treaties”;

- (d) in paragraph 4, the reference to Articles 122 and 123 shall be replaced by a reference to Article 116a.

PROVISIONS SPECIFIC TO MEMBER STATES WHOSE CURRENCY IS THE EURO

- 100) The following new Chapter 3a and new Articles 115 A, 115 B and 115 C shall be inserted:

"CHAPTER 3a PROVISIONS SPECIFIC TO MEMBER STATES WHOSE CURRENCY IS THE EURO

ARTICLE 115 A

1. In order to ensure the proper functioning of economic and monetary union, and in accordance with the relevant provisions of the Treaties, the Council shall, in accordance with the relevant procedure from among those referred to in Articles 99 and 104, with the exception of the procedure set out in Article 104(14), adopt measures specific to those Member States whose currency is the euro:

- (a) to strengthen the coordination and surveillance of their budgetary discipline;
- (b) to set out economic policy guidelines for them, while ensuring that they are compatible with those adopted for the whole of the Union and are kept under surveillance.

2. For those measures set out in paragraph 1, only members of the Council Representing Member States whose currency is the euro shall take part in the vote.

A qualified majority of the said members shall be defined in accordance with Article 205(3)(a).

ARTICLE 115 B

Arrangements for meetings between ministers of those Member States whose currency is the euro are laid down by the Protocol on the Euro Group.

ARTICLE 115 C

1. In order to secure the euro's place in the international monetary system, the Council, on a proposal from the Commission, shall adopt a decision establishing common positions on matters of particular interest for economic and monetary union within the competent international financial institutions and conferences. The Council shall act after consulting the European Central Bank.

2. The Council, on a proposal from the Commission, may adopt appropriate measures to ensure unified representation within the international financial institutions and conferences. The Council shall act after consulting the European Central Bank.

3. For the measures referred to in paragraphs 1 and 2, only members of the Council representing Member States whose currency is the euro shall take part in the vote.

A qualified majority of the said members shall be defined in accordance with Article 205(3)(a)."

TRANSITIONAL PROVISIONS RELATING TO MEMBER STATES WITH A DEROGATION

101) Article 116 shall be repealed, and the following Article 116a shall be inserted:

"ARTICLE 116a

1. Member States in respect of which the Council has not decided that they fulfil the necessary conditions for the adoption of the euro shall hereinafter be referred to as "Member States with a derogation".

2. The following provisions of the Treaties shall not apply to Member States with a derogation:

- (a) adoption of the parts of the broad economic policy guidelines which concern the euro area generally (Article 99(2));
- (b) coercive means of remedying excessive deficits (Article 104(9) and (11));
- (c) the objectives and tasks of the ESCB (Article 105(1), (2), (3) and (5));
- (d) issue of the euro (Article 106);
- (e) acts of the European Central Bank (Article 110);

- (f) measures governing the use of the euro (Article 111a);
- (g) monetary agreements and other measures relating to exchange-rate policy (Article 188 O);
- (h) appointment of members of the Executive Board of the European Central Bank (Article 245b(2));
- (i) decisions establishing common positions on issues of particular relevance for economic and monetary union within the competent international financial institutions and conferences (Article 115 C(1));
- (j) measures to ensure unified representation within the international financial institutions and conferences (Article 115 C(2)).

In the Articles referred to in points (a) to (j), "Member States" shall therefore mean Member States whose currency is the euro.

3. Under Chapter IX of the Statute of the ESCB and of the ECB, Member States with a derogation and their national central banks are excluded from rights and obligations within the SCB.

4. The voting rights of members of the Council representing Member States with a derogation shall be suspended for the adoption by the Council of the measures referred to in the Articles listed in paragraph 2, and in the following instances:

- (a) recommendations made to those Member States whose currency is the euro in the framework of multilateral surveillance, including on stability programmes and warnings (Article 99(4));
- (b) measures relating to excessive deficits concerning those Member States whose currency is the euro (Article 104(6), (7), (8), (12) and (13)).

A qualified majority of the other members of the Council shall be defined in accordance with Article 205(3)(a)."

102) Article 117 shall be repealed, with the exception of the first five indents of paragraph 2 thereof, which shall become the first five indents of paragraph 2 of Article 118a; they shall be amended as set out in point 103 below. A new Article 117a shall be inserted as follows:

- (a) paragraph 1 thereof shall take over the wording of Article 121(1), with the following amendments:

- (i) throughout the paragraph, the words "the EMI" shall be replaced by "the European Central Bank" ;
 - (ii) at the beginning of the first subparagraph, the following shall be inserted: "At least once every two years, or at the request of a Member State with a derogation,";
 - (iii) in the first subparagraph, first sentence, the words "the progress made in the fulfilment by the Member States of their obligations" shall be replaced by "the progress made by the Member States with a derogation in fulfilling their obligations";
 - (iv) in the first subparagraph, second sentence, the words "each Member State's national legislation" shall be replaced by "the national legislation of each of these Member States" and the words "of this Treaty" shall be deleted;
 - (v) in the third indent of the first subparagraph, the words "against the currency of any other Member State" shall be replaced by "against the euro;";
 - (vi) in the fourth indent of the first subparagraph, the words "the Member State" shall be replaced by "the Member State with a derogation" and the words "of the European Monetary System" shall be deleted;
 - (vii) in the second subparagraph, the words "the development of the ecu" shall be deleted;
- (b) paragraph 2 thereof shall take over the wording of the second sentence of Article 122(2), with the following amendments:
- (i) at the end of the text, the words "set out in Article 121(1)" shall be replaced by "set out in paragraph 1";
 - (ii) the following new second and third subparagraphs shall be added:

"The Council shall act having received a recommendation of a qualified majority of those among its members representing Member States whose currency is the euro. These members shall act within six months of the Council receiving the Commission's proposal.

The qualified majority of the said members, as referred to in the second subparagraph, shall be defined in accordance with Article 205(3)(a).";

- (c) paragraph 3 thereof shall take over the wording of Article 123(5), with the following amendments:
 - (i) at the beginning of the paragraph, the words "If it is decided, according to the procedure set out in Article 122(2), to abrogate a derogation," shall be replaced by "If it is decided, in accordance with the procedure set out in paragraph 2, to abrogate a derogation,";
 - (ii) the words "adopt the rate" shall be replaced by "irrevocably fix the rate".

103) Article 118 shall be repealed. A new Article 118a shall be inserted as follows:

- (a) paragraph 1 thereof shall take over the text of Article 123(3); the words "of this Treaty" shall be deleted;
- (b) paragraph 2 thereof shall take over the text of the first five indents of Article 117(2); the five indents shall be amended as set out below and shall be preceded by the following introductory words:

"If and as long as there are Member States with a derogation, the European Central Bank shall, as regards those Member States:"

- (i) in the third indent, the words "European Monetary System" shall be replaced by "exchange-rate mechanism";
- (ii) the fifth indent shall be replaced by the following:

"– carry out the former tasks of the European Monetary Cooperation Fund which had subsequently been taken over by the European Monetary Institute."

104) An Article 118b shall be inserted, with the wording of Article 124(1); it shall be amended as follows:

- (a) the words "Until the beginning of the third stage, each Member State shall treat" shall be replaced by "Each Member State with a derogation shall treat";
- (b) the words "of the European Monetary System (EMS) and in developing the ecu, and shall respect existing powers in this field" shall be replaced by "of the exchange-rate mechanism."

105) Article 119 shall be amended as follows:

- (a) in paragraph 1, the words "with a derogation" shall be inserted after "Member State" in the first and second subparagraphs and the word "progressive" in the first subparagraph shall be deleted;
- (b) in paragraph 2(a), the words "with a derogation" shall be inserted after "Member States" and in paragraph 2(b), the words "the State which is in difficulties" shall be replaced by "the Member State with a derogation which is in difficulties,";
- (c) in paragraph 3, the words "the Commission shall authorise the State which is in difficulties" shall be replaced by "the Commission shall authorise the Member State with a derogation, which is in difficulties,";
- (d) paragraph 4 shall be deleted.

106) Article 120 shall be amended as follows:

- (a) in paragraph 1, the words "the Member State concerned" shall be replaced by "a Member State with a derogation";
- (b) in paragraph 3, the words "an opinion" shall be replaced by "a recommendation" and the word "Member" shall be inserted before "State";
- (c) paragraph 4 shall be deleted.

107) Article 121(1) shall become Article 117a(1); it shall be amended as set out above in point 102. The rest of Article 121 shall be repealed.

108) In Article 122(2), the second sentence shall become the first subparagraph of Article 117a(2); it shall be amended as set out above in point 102. The rest of Article 122 shall be repealed.

109) Article 123(3) shall become Article 118a(1) and Article 123(5) shall become Article 117a(3); they shall be amended as set out above in points 103 and 102 respectively. The rest of Article 123 shall be repealed.

110) Article 124(1) shall become the new Article 118b; it shall be amended as set out above in point 104. The rest of Article 124 shall be repealed.

EMPLOYMENT

111) In Article 125, the words "and in Article 2 of this Treaty" shall be deleted.

TITLES WHICH ARE TO BE MOVED

112) Title IX "COMMON COMMERCIAL POLICY" shall become Title II in Part Five on the Union's external action and Articles 131 and 133 shall become Articles 188 B and 188 C respectively. Article 131 shall be amended as set out below in point 157 and Article 133 shall be replaced by Article 188 C.

Articles 132 and 134 shall be repealed.

113) Title X "CUSTOMS COOPERATION" shall become Chapter 1a in Title Ia, "Free movement of goods" and Article 135 shall become Article 27a, as set out above in point 45.

SOCIAL POLICY

114) The heading of Title XI "SOCIAL POLICY, EDUCATION, VOCATIONAL TRAINING AND YOUTH" shall be replaced by the heading "SOCIAL POLICY", renumbered IX; the heading "Chapter 1 – Social provisions" shall be deleted.

115) The following new Article 136a shall be inserted:

"ARTICLE 136a

The Union recognises and promotes the role of the social partners at its level, taking into account the diversity of national systems. It shall facilitate dialogue between the social partners, respecting their autonomy.

The Tripartite Social Summit for Growth and Employment shall contribute to Social dialogue."

116) Article 137 shall be amended as follows:

(a) in paragraph 2, in the introductory words of the first subparagraph, the words "the Council:" shall be replaced by "the European Parliament and the Council:" and the first sentence of the second subparagraph shall be split into two subparagraphs which shall read as follows:

"The European Parliament and the Council shall act in accordance with the ordinary legislative procedure after consulting the Economic and Social Committee and the Committee of the Regions.

In the fields referred to in paragraph 1(c), (d), (f) and (g), the Council shall act unanimously, in accordance with a special legislative procedure, after consulting the European Parliament and the said Committees."

The second sentence of the second subparagraph shall become the last subparagraph, and the words "of this Article" shall be deleted;

- (b) in paragraph 3, at the end of the first subparagraph, the following words shall be added "or, where appropriate, with the implementation of a Council decision adopted in accordance with Article 139"; in the second subparagraph, the words "a directive must be transposed in accordance with Article 249" shall be replaced by "a directive or a decision must be transposed or implemented," and the words "or that decision" shall be added at the end of the subparagraph.

117) In Article 138(4), first sentence, the words "On the occasion of such consultation," shall be replaced by "On the occasion of the consultation referred to in paragraphs 2 and 3," and, in the second sentence, the words "the procedure" shall be replaced by "this process".

118) Article 139(2) shall be amended as follows:

- (a) at the end of the first subparagraph, the following sentence shall be added: "The European Parliament shall be informed.";
- (b) in the second subparagraph, at the beginning of the first sentence, "The Council shall act by qualified majority, except where the agreement" shall be replaced by "The Council shall act unanimously where the agreement" and the second sentence shall be deleted.

119) In Article 140, the following words shall be added at the end of the second subparagraph: ", in particular initiatives aiming at the establishment of guidelines and indicators, the organisation of exchange of best practice, and the preparation of the necessary elements for periodic monitoring and evaluation. The European Parliament shall be kept fully informed."

120) In Article 143, the second paragraph shall be deleted.

EUROPEAN SOCIAL FUND

121) Chapter 2 shall be renumbered TITLE X.

122) In Article 148, the words "implementing decisions" shall be replaced by "implementing regulations".

EDUCATION, VOCATIONAL TRAINING, YOUTH AND SPORT

- 123) Chapter 3 shall be renumbered TITLE XI and the words "AND YOUTH" at the end of the heading shall be replaced by ", YOUTH AND SPORT".
- 124) Article 149 shall be amended as follows:
- (a) in paragraph 1, the following subparagraph shall be inserted:

"The Union shall contribute to the promotion of European sporting issues, while taking account of the specific nature of sport, its structures based on voluntary activity and its social and educational function.";
 - (b) in paragraph 2, fifth indent, the words "and encouraging the participation of young people in democratic life in Europe," shall be added at the end; the following shall be inserted as the last indent:

"- developing the European dimension in sport, by promoting fairness and openness in sporting competitions and cooperation between bodies responsible for sports, and by protecting the physical and moral integrity of sportsmen and sportswomen, especially the youngest sportsmen and sportswomen.";
 - (c) in paragraph 3, the words "and sport" shall be added after "in the field of education";
 - (d) in paragraph 4, the words "the Council" shall be deleted from the introductory phrase and the first indent shall begin with the words "the European Parliament and the Council, acting"; the second indent shall begin with the words "the Council, on a proposal".
- 125) In Article 150(4), the following words shall be added at the end: ", and the Council, on a proposal from the Commission, shall adopt recommendations".

CULTURE

- 126) Article 151(5) shall be amended as follows:
- (a) in the introductory phrase, the words "the Council" shall be deleted;
 - (b) in the first indent, the first sentence shall begin with the words "the European Parliament and the Council, acting", and the second sentence shall be deleted;

- (c) in the second indent, the words "acting unanimously" shall be deleted and the indent shall begin with the words "the Council, on a proposal".

PUBLIC HEALTH

127) Article 152 shall be amended as follows:

- (a) in paragraph 1, second subparagraph, the word "human" shall be replaced by "physical and mental" and, at the end of that subparagraph, the following shall be added: ", and monitoring, early warning of and combating serious cross-border threats to health";
- (b) in paragraph 2, at the end of the first subparagraph, the following sentence shall be added: "It shall in particular encourage cooperation between the Member States to improve the complementarity of their health services in cross-border areas.";
- (c) In paragraph 2, the following shall be added at the end of the second subparagraph: ", in particular initiatives aiming at the establishment of guidelines and indicators, the organisation of exchange of best practice, and the preparation of the necessary elements for periodic monitoring and evaluation. The European Parliament shall be kept fully informed.";
- (d) paragraph 4 shall be amended as follows:
 - (i) in the introductory wording to the first subparagraph, the following words shall be inserted at the beginning: "By way of derogation from Article 2 A(5) and Article 2 E(a) and in accordance with Article 2 C(2)(k)" and the following shall be added at the end: "in order to meet common safety concerns:";
 - (ii) in point (b), the words "by way of derogation from Article 37," shall be deleted;
 - (iii) the following new point (c) shall be inserted:

"(c) measures setting high standards of quality and safety for medicinal products and devices for medical use.";
 - (iv) the current point (c) shall be renumbered paragraph 5 and replaced by the following:

"5. The European Parliament and the Council, acting in accordance with the ordinary legislative procedure and after

consulting the Economic and Social Committee and the Committee of the Regions, may also adopt incentive measures designed to protect and improve human health and in particular to combat the major cross-border health scourges, measures concerning monitoring, early warning of and combating serious cross-border threats to health, and measures which have as their direct objective the protection of public health regarding tobacco and the abuse of alcohol, excluding any harmonisation of the laws and regulations of the Member States.";

- (e) the second subparagraph of the current paragraph 4 shall become paragraph 6 and paragraph 5, renumbered 7, shall be replaced by the following:

"7. Union action shall respect the responsibilities of the Member States for the definition of their health policy and for the organisation and delivery of health services and medical care. The responsibilities of the Member States shall include the management of health services and medical care and the allocation of the resources assigned to them. The measures referred to in paragraph 4(a) shall not affect national provisions on the donation or medical use of organs and blood."

CONSUMER PROTECTION

- 128) Article 153(2) shall become Article 6a and paragraphs 3, 4 and 5 shall be renumbered 2, 3 and 4 respectively.

INDUSTRY

- 129) Article 157 shall be amended as follows:

- (a) at the end of paragraph 2, the following shall be added: ", in particular initiatives aiming at the establishment of guidelines and indicators, the organisation of exchange of best practice, and the preparation of the necessary elements for periodic monitoring and evaluation. The European Parliament shall be kept fully informed.";
- (b) in paragraph 3, first subparagraph, the following phrase shall be added at the end of the second sentence: ", excluding any harmonisation of the laws and regulations of the Member States".

ECONOMIC, SOCIAL AND TERRITORIAL COHESION

130) The heading of Title XVII shall be replaced by: "ECONOMIC, SOCIAL AND TERRITORIAL COHESION".

131) Article 158 shall be amended as follows:

- (a) in the first paragraph, the words "economic and social cohesion" shall be replaced by "economic, social and territorial cohesion";
- (b) in the second paragraph, the words "or islands, including rural areas" shall be deleted;
- (c) the following new paragraph shall be added:

"Among the regions concerned, particular attention shall be paid to rural areas, areas affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps such as the northernmost regions with very low population density and island, cross-border and mountain regions."

132) In Article 159, second paragraph, the words "economic and social" shall be replaced by "economic, social and territorial".

133) Article 161 shall be amended as follows:

- (a) at the beginning of the first paragraph, first sentence, the words "Without prejudice to Article 162, the Council, acting unanimously on a proposal from the Commission and after obtaining the assent of the European Parliament" shall be replaced by "Without prejudice to Article 162, the European Parliament and the Council, acting by means of regulations in accordance with the ordinary legislative procedure". In the second sentence the words "The Council, acting by the same procedure, shall also define" shall be deleted at the beginning and the words "shall also be defined by the same procedure" added at the end;
- (b) in the second paragraph the words "by the Council " shall be deleted;
- (c) the third paragraph shall be deleted.

134) In Article 162, first paragraph, the words "implementing decisions" shall be replaced by "implementing regulations".

RESEARCH AND TECHNOLOGICAL DEVELOPMENT

- 135) The words "AND SPACE" shall be added to the heading of Title XVIII.
- 136) Article 163 shall be amended as follows:
- (a) paragraph 1 shall be replaced by the following:

"1. The Union shall have the objective of strengthening its scientific and technological bases by achieving a European research area in which researchers, scientific knowledge and technology circulate freely, and encouraging it to become more competitive, including in its industry, while promoting all the research activities deemed necessary by virtue of other Chapters of the Treaties.";
 - (b) in paragraph 2, the words "enabling undertakings to exploit the internal market potential to the full," shall be replaced by "permitting researchers to cooperate freely across borders and at enabling undertakings to exploit the internal market potential to the full,".
- 137) The following shall be added at the end of Article 165(2): ", in particular initiatives aiming at the establishment of guidelines and indicators, the organisation of exchange of best practice, and the preparation of the necessary elements for periodic monitoring and evaluation. The European Parliament shall be kept fully informed.".
- 138) Article 166 shall be amended as follows:
- (a) in paragraph 4, the words "The Council, acting by a qualified majority on a proposal from the Commission" shall be replaced by "The Council, acting in accordance with a special legislative procedure";
 - (b) the following new paragraph 5 shall be added:

"5. As a complement to the activities planned in the multiannual framework programme, the European Parliament and the Council, acting in accordance with the ordinary legislative procedure and after consulting the Economic and Social Committee, shall establish the measures necessary for the implementation of the European research area.".
- 139) In Article 167, the words "the Council" shall be replaced by "the Union".
- 140) In Article 168, second paragraph, the words "the Council" shall be replaced by "the Union".

- 141) In the second paragraph of Article 170, the words ", which shall be negotiated and concluded in accordance with Article 300" shall be deleted.

SPACE

- 142) The following new Article 172a shall be inserted:

"ARTICLE 172a

1. To promote scientific and technical progress, industrial competitiveness and the implementation of its policies, the Union shall draw up a European space policy. To this end, it may promote joint initiatives, support research and technological development and coordinate the efforts needed for the exploration and exploitation of space.
2. To contribute to attaining the objectives referred to in paragraph 1, the European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall establish the necessary measures, which may take the form of a European space programme, excluding any harmonisation of the laws and regulations of the Member States.
3. The Union shall establish any appropriate relations with the European Space Agency.
4. This Article shall be without prejudice to the other provisions of this Title."

ENVIRONMENT (CLIMATE CHANGE)

- 143) Article 174 shall be amended as follows:

- (a) in paragraph 1, the fourth indent shall be replaced by the following:

"– promoting measures at international level to deal with regional or worldwide environmental problems, and in particular combating climate change.";
- (b) in paragraph 2, second subparagraph, the words "Community inspection procedure" shall be replaced by "a procedure of inspection by the Union";
- (c) in paragraph 4, first subparagraph, the last phrase ", which shall be negotiated and concluded in accordance with Article 300" shall be deleted.

144) Article 175 shall be amended as follows:

- (a) in paragraph 2, the second subparagraph shall be replaced by the following:

"The Council, acting unanimously on a proposal from the Commission and after consulting the European Parliament, the Economic and Social Committee and the Committee of the Regions, may make the ordinary legislative procedure applicable to the matters referred to in the first subparagraph.";

- (b) in the first subparagraph of paragraph 3, the words "In other areas," shall be deleted and the second subparagraph shall be replaced by the following:

"The measures necessary for the implementation of these programmes shall be adopted under the terms of paragraph 1 or 2, as the case may be.";

- (c) in paragraph 4, the words "certain measures of a Community nature," shall be replaced by "certain measures adopted by the Union";

- (d) in paragraph 5, the words "the Council shall, in the act adopting that measure, lay down" shall be replaced by "such measure shall lay down".

TITLES WHICH ARE TO BE MOVED

145) Title XX "DEVELOPMENT COOPERATION" shall become Chapter I of Title III of Part Five on the Union's external action, and Articles 177, 179, 180 and 181 shall become Articles 188 D to 188 G respectively; those articles shall be amended as set out below in points 161 to 164. Article 178 shall be repealed.

146) Title XXI "ECONOMIC, FINANCIAL AND TECHNICAL COOPERATION WITH THIRD COUNTRIES" shall become Chapter 2 of Title III of Part Five on the Union's external action and Article 181a shall become the new Article 188 H; that Article shall be amended as set out below in point 166.

ENERGY

147) Title XX shall be replaced by the following new Title and new Article 176 A:

"TITLE XX
ENERGY

ARTICLE 176 A

1. In the context of the establishment and functioning of the internal market and with regard for the need to preserve and improve the environment, Union policy on energy shall aim, in a spirit of solidarity between Member States, to:

- (a) ensure the functioning of the energy market;
- (b) ensure security of energy supply in the Union;
- (c) promote energy efficiency and energy saving and the development of new and renewable forms of energy; and
- (d) promote the interconnection of energy networks.

2. Without prejudice to the application of other provisions of the Treaties, the European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall establish the measures necessary to achieve the objectives in paragraph 1. Such measures shall be adopted after consultation of the Economic and Social Committee and the Committee of the Regions.

Such measures shall not affect a Member State's right to determine the conditions for exploiting its energy resources, its choice between different energy sources and the general structure of its energy supply, without prejudice to Article 175(2)(c).

3. By way of derogation from paragraph 2, the Council, acting in accordance with a special legislative procedure, shall unanimously and after consulting the European Parliament, establish the measures referred to therein when they are primarily of a fiscal nature."

TOURISM

148) Title XXI shall be replaced by the following new Title and new Article 176 B:

"TITLE XXI TOURISM

ARTICLE 176 B

1. The Union shall complement the action of the Member States in the tourism sector, in particular by promoting the competitiveness of Union undertakings in that sector.

To that end, Union action shall be aimed at:

- (a) encouraging the creation of a favourable environment for the development of undertakings in this sector;
- (b) promoting cooperation between the Member States, particularly by the exchange of good practice.

2. The European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall establish specific measures to complement actions within the Member States to achieve the objectives referred to in this Article, excluding any harmonisation of the laws and regulations of the Member States."

CIVIL PROTECTION

149) The following new Title XXII and new Article 176 C shall be inserted:

"

TITLE XXII CIVIL PROTECTION

ARTICLE 176 C

1. The Union shall encourage cooperation between Member States in order to improve the effectiveness of systems for preventing and protecting against natural or man-made disasters.

Union action shall aim to:

- (a) support and complement Member States' action at national, regional and local level in risk prevention, in preparing their civil-protection personnel and in responding to natural or man-made disasters within the Union;
- (b) promote swift, effective operational cooperation within the Union between national civil-protection services;
- (c) promote consistency in international civil-protection work.

2. The European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall establish the measures necessary to help achieve the objectives referred to in paragraph 1, excluding any harmonisation of the laws and regulations of the Member States."

ADMINISTRATIVE COOPERATION

150) The following new Title XXIII and new Article 176 D shall be inserted:

"TITLE XXIII ADMINISTRATIVE COOPERATION

ARTICLE 176 D

1. Effective implementation of Union law by the Member States, which is essential for the proper functioning of the Union, shall be regarded as a matter of common interest.

2. The Union may support the efforts of Member States to improve their Administrative capacity to implement Union law. Such action may include facilitating the exchange of information and of civil servants as well as supporting training schemes. No Member State shall be obliged to avail itself of such support. The European Parliament and the Council, acting by means of regulations in accordance with the ordinary legislative procedure, shall establish the necessary measures to this end, excluding any harmonisation of the laws and regulations of the Member States.

3. This Article shall be without prejudice to the obligations of the Member States to implement Union law or to the prerogatives and duties of the Commission. It shall also be without prejudice to other provisions of the Treaties providing for administrative cooperation among the Member States and between them and the Union."

ASSOCIATION OF THE OVERSEAS COUNTRIES AND TERRITORIES

151) At the end of Article 182, first paragraph, the words "to this Treaty" shall be deleted.

152) At the end of Article 186, the words "shall be governed by agreements to be concluded subsequently with the unanimous approval of Member States" shall be replaced by "shall be regulated by acts adopted in accordance with Article 187".

153) In Article 187, the words "acting unanimously" shall be replaced by "acting unanimously on a proposal from the Commission" and the following sentence shall be added at the end of the Article: "Where the provisions in question are adopted by the Council in accordance with a special legislative procedure, it shall act unanimously on a proposal from the Commission and after consulting the European Parliament."

THE UNION'S EXTERNAL ACTION

154) A new Part Five shall be inserted. Its heading shall be "THE UNION'S EXTERNAL ACTION" and it shall contain the following Titles and Chapters:

- Title I: General provisions on the Union's external action
- Title II: Common commercial policy
- Title III: Cooperation with third countries and humanitarian aid
 - Chapter 1: Development cooperation
 - Chapter 2: Economic, financial and technical cooperation with third countries
 - Chapter 3: Humanitarian aid
- Title IV: Restrictive measures
- Title V: International agreements
- Title VI: The Union's relations with international organisations and third countries and Union delegations
- Title VII: Solidarity clause.

GENERAL PROVISIONS

155) The following new Title I and new Article 188 A shall be inserted:

"TITLE I
GENERAL PROVISIONS ON
THE UNION'S EXTERNAL ACTION

ARTICLE 188 A

The Union's action on the international scene, pursuant to this Part, shall be guided by the principles, pursue the objectives and be conducted in accordance with the general provisions laid down in Chapter 1 of Title V of the Treaty on European Union."

COMMON COMMERCIAL POLICY

156) A Title II "COMMON COMMERCIAL POLICY" shall be inserted, taking over the heading of Title IX of Part 3.

157) An Article 188 B shall be inserted, with the wording of Article 131; it shall be amended as follows:

- (a) the first paragraph shall be replaced by the following:

"By establishing a customs union in accordance with Articles 23 to 27, the Union shall contribute, in the common interest, to the harmonious development of world trade, the progressive abolition of restrictions on international trade and on foreign direct investment, and the lowering of customs and other barriers.";

(b) the second paragraph shall be deleted.

158) An Article 188 C shall be inserted, replacing Article 133:

"ARTICLE 188 C

1. The common commercial policy shall be based on uniform principles, particularly with regard to changes in tariff rates, the conclusion of tariff and trade agreements relating to trade in goods and services, and the commercial aspects of intellectual property, foreign direct investment, the achievement of uniformity in measures of liberalisation, export policy and measures to protect trade such as those to be taken in the event of dumping or subsidies. The common commercial policy shall be conducted in the context of the principles and objectives of the Union's external action.

2. The European Parliament and the Council, acting by means of regulations in accordance with the ordinary legislative procedure, shall adopt the measures defining the framework for implementing the common commercial policy.

3. Where agreements with one or more third countries or international organisations need to be negotiated and concluded, Article 188 N shall apply, subject to the special provisions of this Article.

The Commission shall make recommendations to the Council, which shall authorise it to open the necessary negotiations. The Council and the Commission shall be responsible for ensuring that the agreements negotiated are compatible with internal Union policies and rules.

The Commission shall conduct these negotiations in consultation with a special committee appointed by the Council to assist the Commission in this task and within the framework of such directives as the Council may issue to it. The Commission shall report regularly to the special committee and to the European Parliament on the progress of negotiations.

4. For the negotiation and conclusion of the agreements referred to in paragraph 3, the Council shall act by a qualified majority.

For the negotiation and conclusion of agreements in the fields of trade in services and the commercial aspects of intellectual property, as well as foreign direct

investment, the Council shall act unanimously where such agreements include provisions for which unanimity is required for the adoption of internal rules.

The Council shall also act unanimously for the negotiation and conclusion of agreements:

- (a) in the field of trade in cultural and audiovisual services, where these agreements risk prejudicing the Union's cultural and linguistic diversity;
- (b) in the field of trade in social, education and health services, where these agreements risk seriously disturbing the national organisation of such services and prejudicing the responsibility of Member States to deliver them.

5. The negotiation and conclusion of international agreements in the field of transport shall be subject to Title V of Part Three and to Article 188 N.

6. The exercise of the competences conferred by this Article in the field of the common commercial policy shall not affect the delimitation of competences between the Union and the Member States, and shall not lead to harmonisation of legislative or regulatory provisions of the Member States insofar as the Treaties exclude such harmonisation."

DEVELOPMENT COOPERATION

159) A Title III "COOPERATION WITH THIRD COUNTRIES AND HUMANITARIAN AID" shall be inserted.

160) A Chapter 1 "DEVELOPMENT COOPERATION" shall be inserted, taking over the heading of Title XX of Part 3.

161) An Article 188 D shall be inserted, with the wording of Article 177; it shall be amended as follows:

- (a) paragraphs 1 and 2 shall be replaced by the following:

"1. Union policy in the field of development cooperation shall be conducted within the framework of the principles and objectives of the Union's external action. The Union's development cooperation policy and that of the Member States complement and reinforce each other.

Union development cooperation policy shall have as its primary objective the reduction and, in the long term, the eradication of poverty. The Union

shall take account of the objectives of development cooperation in the policies that it implements which are likely to affect developing countries.";

(b) paragraph 3 shall be renumbered "2".

162) An Article 188 E shall be inserted, with the wording of Article 179; it shall be amended as follows:

(a) paragraph 1 shall be replaced by the following:

"1. The European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall adopt the measures necessary for the implementation of development cooperation policy, which may relate to multiannual cooperation programmes with developing countries or programmes with a thematic approach.";

(b) the following new paragraph 2 shall be inserted:

"2. The Union may conclude with third countries and competent international organisations any agreement helping to achieve the objectives referred to in Article 10 A of the Treaty on European Union and in Article 188 D of this Treaty.

The first subparagraph shall be without prejudice to Member States' competence to negotiate in international bodies and to conclude agreements.";

(c) the current paragraph 2 shall be renumbered "3" and the current paragraph 3 shall be deleted.

163) An Article 188 F shall be inserted, with the wording of Article 180; it shall be amended as follows:

At the beginning of paragraph 1, the following words shall be inserted: "In order to promote the complementarity and efficiency of their action, "

164) An Article 188 G shall be inserted, with the wording of Article 181; the second sentence of the first paragraph and the second paragraph shall be deleted.

ECONOMIC, FINANCIAL AND TECHNICAL COOPERATION WITH THIRD COUNTRIES

165) A Chapter 2 "ECONOMIC, FINANCIAL AND TECHNICAL COOPERATION WITH THIRD COUNTRIES" shall be inserted, taking over the heading of Title XXI of Part 3.

166) An Article 188 H shall be inserted, with the wording of Article 181a; it shall be amended as follows:

(a) paragraph 1 shall be replaced by the following:

"1. Without prejudice to the other provisions of the Treaties, and in particular Articles 188 D to 188 G, the Union shall carry out economic, financial and Technical cooperation measures, including assistance, in particular financial assistance, with third countries other than developing countries. Such measures shall be consistent with the development policy of the Union and shall be carried out within the framework of the principles and objectives of its external action. The Union's operations and those of the Member States shall complement and reinforce each other.";

(b) paragraph 2 shall be replaced by the following:

"2. The European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall adopt the measures necessary for the implementation of paragraph 1.";

(c) at the end of the second sentence of the first subparagraph of paragraph 3, the words ", which shall be negotiated and concluded in accordance with Article 300" shall be deleted.

167) The following new Article 188 I shall be inserted:

"ARTICLE 188 I

When the situation in a third country requires urgent financial assistance from the Union, the Council shall adopt the necessary decisions on a proposal from the Commission."

HUMANITARIAN AID

168) The following new Chapter 3 and new Article 188 J shall be inserted:

"CHAPTER 3 HUMANITARIAN AID

ARTICLE 188 J

1. The Union's operations in the field of humanitarian aid shall be conducted within the framework of the principles and objectives of the external action of the Union. Such operations shall be intended to provide ad hoc assistance and relief and protection for people in third countries who are victims of natural or man-made disasters, in order to meet the humanitarian needs resulting from these different situations. The Union's measures and those of the Member States shall complement and reinforce each other.

2. Humanitarian aid operations shall be conducted in compliance with the principles of international law and with the principles of impartiality, neutrality and non-discrimination.

3. The European Parliament and the Council, acting in accordance with the ordinary legislative procedure, shall establish the measures defining the framework within which the Union's humanitarian aid operations shall be implemented.

4. The Union may conclude with third countries and competent international organisations any agreement helping to achieve the objectives referred to in paragraph 1 and in Article 10 A of the Treaty on European Union.

The first subparagraph shall be without prejudice to Member States' competence to negotiate in international bodies and to conclude agreements.

5. In order to establish a framework for joint contributions from young Europeans to the humanitarian aid operations of the Union, a European Voluntary Humanitarian Aid Corps shall be set up. The European Parliament and the Council, acting by means of regulations in accordance with the ordinary legislative procedure, shall determine the rules and procedures for the operation of the Corps.

6. The Commission may take any useful initiative to promote coordination between actions of the Union and those of the Member States, in order to enhance the efficiency and complementarity of Union and national humanitarian aid measures.

7. The Union shall ensure that its humanitarian aid operations are coordinated and consistent with those of international organisations and bodies, in particular those forming part of the United Nations system."

RESTRICTIVE MEASURES

169) The following Title IV and Article 188 K shall be inserted, replacing Article 301:

"TITLE IV RESTRICTIVE MEASURES

ARTICLE 188 K

1. Where a decision, adopted in accordance with Chapter 2 of Title V of the Treaty on European Union, provides for the interruption or reduction, in part or completely, of economic and financial relations with one or more third countries, the Council, acting by a qualified majority on a joint proposal from the High Representative of the Union for Foreign Affairs and Security Policy and the Commission, shall adopt the necessary measures. It shall inform the European Parliament thereof.

2. Where a decision adopted in accordance with Chapter 2 of Title V of the Treaty on European Union so provides, the Council may adopt restrictive measures under the procedure referred to in paragraph 1 against natural or legal persons and groups or non-State entities.

3. The acts referred to in this Article shall include necessary provisions on Legal safeguards."

INTERNATIONAL AGREEMENTS

170) A Title V "INTERNATIONAL AGREEMENTS" shall be inserted after Article 188 K.

171) The following Article 188 L shall be inserted:

"ARTICLE 188 L

1. The Union may conclude an agreement with one or more third countries or International organisations where the Treaties so provide or where the conclusion of an agreement is necessary in order to achieve, within the framework of the Union's policies, one of the objectives referred to in the

Treaties, or is provided for in a legally binding Union act or is likely to affect common rules or alter their scope.

2. Agreements concluded by the Union are binding upon the institutions of the Union and on its Member States."

172) An Article 188 M shall be inserted, with the wording of Article 310. The word "States" shall be replaced by "third countries".

173) An Article 188 N shall be inserted, replacing Article 300:

"ARTICLE 188 N

1. Without prejudice to the specific provisions laid down in Article 188 C, Agreements between the Union and third countries or international organisations shall be negotiated and concluded in accordance with the following procedure.

2. The Council shall authorise the opening of negotiations, adopt negotiating directives, authorise the signing of agreements and conclude them.

3. The Commission, or the High Representative of the Union for Foreign Affairs and Security Policy where the agreement envisaged relates exclusively or principally to the common foreign and security policy, shall submit recommendations to the Council, which shall adopt a decision authorising the opening of negotiations and, depending on the subject of the agreement envisaged, nominating the Union negotiator or the head of the Union's negotiating team.

4. The Council may address directives to the negotiator and designate a special committee in consultation with which the negotiations must be conducted.

5. The Council, on a proposal by the negotiator, shall adopt a decision authorising the signing of the agreement and, if necessary, its provisional application before entry into force.

6. The Council, on a proposal by the negotiator, shall adopt a decision concluding the agreement.

Except where agreements relate exclusively to the common foreign and security policy, the Council shall adopt the decision concluding the agreement:

(a) after obtaining the consent of the European Parliament in the following cases:

- (i) association agreements;
- (ii) agreement on Union accession to the European Convention for the Protection of Human Rights and Fundamental Freedoms;
- (iii) agreements establishing a specific institutional framework by organising cooperation procedures;
- (iv) agreements with important budgetary implications for the Union;
- (v) agreements covering fields to which either the ordinary legislative procedure applies, or the special legislative procedure where consent by the European Parliament is required.

The European Parliament and the Council may, in an urgent situation, agree upon a time-limit for consent.

- (b) after consulting the European Parliament in other cases. The European Parliament shall deliver its opinion within a time-limit which the Council may set depending on the urgency of the matter. In the absence of an opinion within that time-limit, the Council may act.

7. When concluding an agreement, the Council may, by way of derogation from paragraphs 5, 6 and 9, authorise the negotiator to approve on the Union's behalf modifications to the agreement where it provides for them to be adopted by a simplified procedure or by a body set up by the agreement. The Council may attach specific conditions to such authorisation.

8. The Council shall act by a qualified majority throughout the procedure.

However, it shall act unanimously when the agreement covers a field for which unanimity is required for the adoption of a Union act as well as for association agreements and the agreements referred to in Article 188 H with the States which are candidates for accession. The Council shall also act unanimously for the agreement on accession of the Union to the European Convention for the Protection of Human Rights and Fundamental Freedoms; the decision concluding this agreement shall enter into force after it has been approved by the Member States in accordance with their respective constitutional requirements.

9. The Council, on a proposal from the Commission or the High Representative of the Union for Foreign Affairs and Security Policy, shall adopt a decision suspending application of an agreement and establishing the positions to be adopted on the Union's behalf in a body set up by an agreement, when that

body is called upon to adopt acts having legal effects, with the exception of acts supplementing or amending the institutional framework of the agreement.

10. The European Parliament shall be immediately and fully informed at all stages of the procedure.

11. A Member State, the European Parliament, the Council or the Commission may obtain the opinion of the Court of Justice as to whether an agreement envisaged is compatible with the Treaties. Where the opinion of the Court is adverse, the agreement envisaged may not enter into force unless it is amended or the Treaties are revised."

174) An Article 188 O shall be inserted, with the wording of paragraphs 1 to 3 and 5 of Article 111 and paragraph 1 shall be split into two subparagraphs, the last two sentences becoming the second subparagraph; the Article shall be amended as follows:

(a) paragraph 1, first subparagraph, shall be replaced by the following:

"1. By way of derogation from Article 188 N(1), the Council, either on a recommendation from the European Central Bank or on a recommendation from the Commission and after consulting the European Central Bank, in an endeavour to reach a consensus consistent with the objective of price stability, may conclude formal agreements on an exchange-rate system for the euro in relation to the currencies of third States. The Council shall act unanimously after consulting the European Parliament and in accordance with the procedure provided for in paragraph 3."

In the second subparagraph, the words "on a recommendation from the ECB or from the Commission and after consulting the ECB in an endeavour to" shall be replaced by the following: "either on a recommendation from the European Central Bank or on a recommendation from the Commission, and after consulting the European Central Bank, in an endeavour to";

(b) in paragraph 2, the words "non-Community currencies" shall be replaced by "currencies of third States";

(c) in paragraph 3, in the first sentence of the first subparagraph, the reference to Article 300 shall be replaced by a reference to Article 188 N and the word "States" shall be replaced by "third States", and the second subparagraph shall be deleted;

(d) paragraph 5 shall be renumbered "4".

THE UNION'S RELATIONS WITH INTERNATIONAL ORGANISATIONS AND
THIRD COUNTRIES AND UNION DELEGATIONS

175) The following Title VI and Articles 188 P and 188 Q shall be inserted, with Article 188 P replacing Articles 302 to 304:

"TITLE VI
THE UNION'S RELATIONS WITH INTERNATIONAL ORGANISATIONS
AND THIRD COUNTRIES AND UNION DELEGATIONS

ARTICLE 188 P

1. The Union shall establish all appropriate forms of cooperation with the organs of the United Nations and its specialised agencies, the Council of Europe, the Organisation for Security and Cooperation in Europe and the Organisation for Economic Cooperation and Development. The Union shall also maintain such relations as are appropriate with other international organisations.

2. The High Representative of the Union for Foreign Affairs and Security Policy and the Commission shall implement this Article.

ARTICLE 188 Q

1. Union delegations in third countries and at international organisations shall Represent the Union.

2. Union delegations shall be placed under the authority of the High Representative of the Union for Foreign Affairs and Security Policy. They shall act in close cooperation with Member States' diplomatic and consular missions."

SOLIDARITY CLAUSE

176) The following new Title VII and new Article 188 R shall be inserted:

"TITLE VII
SOLIDARITY CLAUSE

ARTICLE 188 R

1. The Union and its Member States shall act jointly in a spirit of solidarity if a Member State is the object of a terrorist attack or the victim of a natural or man-made disaster. The Union shall mobilise all the instruments at its disposal, including the military resources made available by the Member States, to:

- (a) – prevent the terrorist threat in the territory of the Member States;
 - protect democratic institutions and the civilian population from any terrorist attack;
 - assist a Member State in its territory, at the request of its political authorities, in the event of a terrorist attack;
- (b) assist a Member State in its territory, at the request of its political authorities, in the event of a natural or man-made disaster.

2. Should a Member State be the object of a terrorist attack or the victim of a natural or man-made disaster, the other Member States shall assist it at the request of its political authorities. To that end, the Member States shall coordinate between themselves in the Council.

3. The arrangements for the implementation by the Union of the solidarity clause shall be defined by a decision adopted by the Council acting on a joint proposal by the Commission and the High Representative of the Union for Foreign Affairs and Security Policy. The Council shall act in accordance with Article 15b(1) of the Treaty on European Union where this decision has defence implications. The European Parliament shall be informed.

For the purposes of this paragraph and without prejudice to Article 207, the Council shall be assisted by the Political and Security Committee with the support of the structures developed in the context of the common security and defence policy and by the Committee referred to in Article 61 D; the two committees shall, if necessary, submit joint opinions.

4. The European Council shall regularly assess the threats facing the Union in order to enable the Union and its Member States to take effective action."

INSTITUTIONAL AND FINANCIAL PROVISIONS

177) Part Five shall be renumbered "PART SIX" and its heading shall be replaced by "INSTITUTIONAL AND FINANCIAL PROVISIONS".

EUROPEAN PARLIAMENT

178) Article 189 shall be repealed.

179) Article 190 shall be amended as follows:

- (a) paragraphs 1, 2 and shall be deleted and paragraphs 4 and 5 shall be renumbered 1 and 2 respectively;
 - (b) paragraph 4, renumbered 1, shall be amended as follows:
 - (i) in the first subparagraph, the words "for elections by direct universal suffrage" shall be replaced by the following: "to lay down the provisions necessary for the election of its members by direct universal suffrage";
 - (ii) the second subparagraph shall be replaced by the following:

"The Council, acting unanimously in accordance with a special legislative procedure and after obtaining the consent of the European Parliament, which shall act by a majority of its component members, shall lay down the necessary provisions. These provisions shall enter into force following their approval by the Member States in accordance with their respective constitutional requirements.";
 - (c) in paragraph 5, renumbered 2, the words ", acting by means of regulations on its own initiative in accordance with a special legislative procedure" shall be inserted after "The European Parliament", and the word "approval" shall be replaced by "consent".
- 180) In Article 191, the first paragraph shall be deleted. In the second paragraph, the words ", by means of regulations," shall be inserted before "shall lay down" and the words "referred to in Article 8 A(4) of the Treaty on European Union" shall be inserted after "at European level".
- 181) In Article 192, the first paragraph shall be deleted; in the second paragraph, the words "of its Members" shall be replaced by "of its component members" and the following sentence shall be added at the end of the paragraph: "If the Commission does not submit a proposal, it shall inform the European Parliament of the reasons."
- 182) Article 193 shall be amended as follows:
- (a) in the first paragraph, the words "of its Members" shall be replaced by "of its component Members";
 - (b) the third paragraph shall be replaced by the following:

"The detailed provisions governing the exercise of the right of inquiry shall be determined by the European Parliament, acting by means of regulations

on its own initiative in accordance with a special legislative procedure, after obtaining the consent of the Council and the Commission."

183) Article 195 shall be amended as follows:

- (a) in the first subparagraph of paragraph 1, the words at the beginning "The European Parliament shall appoint an Ombudsman, empowered to receive complaints" shall be replaced by "A European Ombudsman, elected by the European Parliament, shall be empowered to receive complaints"; in the last part of the sentence, the words "and the Court of First Instance acting in their judicial role" shall be replaced by: "acting in its judicial role" and the following final sentence shall be added: "He or she shall examine such complaints and report on them.";
- (b) in the first subparagraph of paragraph 2, the word "appointed" shall be replaced by "elected";
- (c) in paragraph 3, the words "from any body" shall be replaced by "from any Government, institution, body, office or entity";
- (d) in paragraph 4, the words "acting by means of regulations on its own initiative in accordance with a special legislative procedure" shall be inserted after "The European Parliament", and the word "approval" shall be replaced by "consent".

184) In the second paragraph of Article 196, the words "in extraordinary session" shall be replaced by "in extraordinary part-session" and the words "of its Members" shall be replaced by "of its component members".

185) Article 197 shall be amended as follows:

- (a) the first paragraph shall be deleted;
- (b) the second paragraph shall be replaced by the following:

"The Commission may attend all the meetings and shall, at its request, be heard.";
- (c) the fourth paragraph shall be replaced by the following:

"The European Council and the Council shall be heard by the European Parliament in accordance with the conditions laid down in the Rules of Procedure of the European Council and those of the Council."

186) In the first paragraph of Article 198, the word "absolute" shall be deleted.

187) In the second paragraph of Article 199, the words "manner laid down in its Rules of Procedure" shall be replaced by "manner laid down in the Treaties and in its Rules of Procedure".

188) In Article 201, the second paragraph shall be replaced by the following:

"If the motion of censure is carried by a two-thirds majority of the votes cast, representing a majority of the component members of the European Parliament, the members of the Commission shall resign as a body and the High Representative of the Union for Foreign Affairs and Security Policy shall resign from duties that he or she carries out in the Commission. They shall remain in office and continue to deal with current business until they are replaced in accordance with Article 9 D of the Treaty on European Union. In this case, the term of office of the members of the Commission appointed to replace them shall expire on the date on which the term of office of the members of the Commission obliged to resign as a body would have expired."

EUROPEAN COUNCIL

189) The following new Section 1a and new Articles 201a and 201b shall be inserted:

"SECTION 1a THE EUROPEAN COUNCIL

ARTICLE 201a

1. Where a vote is taken, any member of the European Council may also act on behalf of not more than one other member.

Article 9 C(4) of the Treaty on European Union and Article 205(2) of this Treaty shall apply to the European Council when it is acting by a qualified majority. Where the European Council decides by vote, its President and the President of the Commission shall not take part in the vote.

Abstentions by members present in person or represented shall not prevent the adoption by the European Council of acts which require unanimity.

2. The President of the European Parliament may be invited to be heard by the European Council.

3. The European Council shall act by a simple majority for procedural questions and for the adoption of its Rules of Procedure.

4. The European Council shall be assisted by the General Secretariat of the Council.

ARTICLE 201b

The European Council shall adopt by a qualified majority:

- (a) a decision establishing the list of Council configurations, other than those of the General Affairs Council and of the Foreign Affairs Council, in accordance with Article 9 C(6) of the Treaty on European Union;
- (b) a decision on the Presidency of Council configurations, other than that of Foreign Affairs, in accordance with Article 9 C(9) of the Treaty on European Union."

COUNCIL

190) Articles 202 and 203 shall be repealed.

191) Article 205 shall be amended as follows:

- (a) paragraphs 1 and 2 shall be replaced by the following:

"1. Where it is required to act by a simple majority, the Council shall act by a majority of its component members.

2. By way of derogation from Article 9 C(4) of the Treaty on European Union, as from 1 November 2014 and subject to the provisions laid down in the Protocol on transitional provisions, where the Council does not act on a proposal from the Commission or from the High Representative of the Union for Foreign Affairs and Security Policy, the qualified majority shall be defined as at least 72 % of the members of the Council, representing Member States comprising at least 65 % of the population of the Union.

3. As from 1 November 2014 and subject to the provisions laid down in the Protocol on transitional provisions, in cases where, under the Treaties, not all the members of the Council participate in voting, a qualified majority shall be defined as follows:

- (a) A qualified majority shall be defined as at least 55 % of the members of the Council representing the participating Member States, comprising at least 65 % of the population of these States.

A blocking minority must include at least the minimum number of Council members representing more than 35 % of the population of the participating Member States, plus one member, failing which the qualified majority shall be deemed attained;

- (b) By way of derogation from point (a), where the Council does not act on a proposal from the Commission or from the High Representative of the Union for Foreign Affairs and Security Policy, the qualified majority shall be defined as at least 72 % of the members of the Council representing the participating Member States, comprising at least 65 % of the population of these States."

- (b) paragraph 4 shall be deleted and paragraph 3 shall be renumbered 4.

192) Article 207 shall be replaced by the following:

"ARTICLE 207

1. A committee consisting of the Permanent Representatives of the Governments of the Member States shall be responsible for preparing the work of the Council and for carrying out the tasks assigned to it by the latter. The Committee may adopt procedural decisions in cases provided for in the Council's Rules of Procedure.

2. The Council shall be assisted by a General Secretariat, under the responsibility of a Secretary-General appointed by the Council. The Council shall decide on the organisation of the General Secretariat by a simple majority.

3. The Council shall act by a simple majority regarding procedural matters and for the adoption of its Rules of Procedure."

193) In Article 208, the following sentence shall be added at the end of the Article: "If the Commission does not submit a proposal, it shall inform the Council of the reasons."

194) In Article 209, the words "receiving an opinion from" shall be replaced by "consulting".

195) Article 210 shall be replaced by the following:

"ARTICLE 210

The Council shall determine the salaries, allowances and pensions of the President of the European Council, the President of the Commission, the High Representative of the Union for Foreign Affairs and Security Policy, the

members of the Commission, the Presidents, members and Registrars of the Court of Justice of the European Union, and the Secretary-General of the Council. It shall also determine any payment to be made instead of remuneration."

COMMISSION

196) Article 211 shall be repealed. The following Article 211a shall be inserted:

"ARTICLE 211a

In accordance with Article 9 D(5) of the Treaty on European Union, the members of the Commission shall be chosen on the basis of a system of rotation established unanimously by the European Council and on the basis of the following principles:

- (a) Member States shall be treated on a strictly equal footing as regards determination of the sequence of, and the time spent by, their nationals as members of the Commission; consequently, the difference between the total number of terms of office held by nationals of any given pair of Member States may never be more than one;
- (b) subject to point (a), each successive Commission shall be so composed as to reflect satisfactorily the demographic and geographical range of all the Member States."

197) Article 212 shall become a new paragraph 2 of Article 218.

198) In Article 213, paragraph 1 shall be deleted and paragraph 2 shall not be numbered; its first two paragraphs shall be merged and shall read as follows:

"The Members of the Commission shall refrain from any action incompatible with their duties. Member States shall respect their independence and shall not seek to influence them in the performance of their tasks."

199) Article 214 shall be repealed.

200) Article 215 shall be amended as follows:

- (a) the second paragraph shall be replaced by the following two paragraphs:

"A vacancy caused by resignation, compulsory retirement or death shall be filled for the remainder of the member's term of office by a new member of the same nationality appointed by the Council, by common accord with the President of the Commission, after consulting the European Parliament and in accordance

with the criteria set out in the second subparagraph of Article 9 D(3) of the Treaty on European Union.

The Council may, acting unanimously on a proposal from the President of the Commission, decide that such a vacancy need not be filled, in particular when The remainder of the member's term of office is short.";

(b) the following new fifth paragraph shall be inserted:

"In the event of resignation, compulsory retirement or death, the High Representative of the Union for Foreign Affairs and Security Policy shall be replaced, for the remainder of his or her term of office, in accordance with Article 9 E(1) of the Treaty on European Union";

(c) the last paragraph shall be replaced by the following:

"In the case of the resignation of all the members of the Commission, they shall remain in office and continue to deal with current business until they have been replaced, for the remainder of their term of office, in accordance with Article 9 D of the Treaty on European Union."

201) In Article 217, paragraphs 1, 3 and 4 shall be deleted and paragraph 2 shall not be numbered. Its first sentence shall be replaced by the following: "Without prejudice to Article 9 E(4) of the Treaty on European Union, the responsibilities incumbent upon the Commission shall be structured and allocated among its members by its President, in accordance with Article 9 D(6) of that Treaty".

202) In Article 218, paragraph 1 shall be deleted; paragraph 2 shall be renumbered 1 and the words "in accordance with the provisions of this Treaty" shall be deleted. A paragraph 2 shall be inserted, with the wording of Article 212.

203) In Article 219, first paragraph, the words "of the number of Members provided for in Article 213" shall be replaced by "of its members" and the second paragraph shall be replaced by "Its Rules of Procedure shall determine the quorum."

COURT OF JUSTICE

204) In the heading of Section 4, the words "OF THE EUROPEAN UNION" shall be added.

205) Article 220 shall be repealed.

206) In Article 221, the first paragraph shall be deleted.

- 207) In Article 223, the words ", after consultation of the panel provided for in Article 224a" shall be added at the end of the first paragraph.
- 208) In Article 224, first paragraph, the first sentence shall be deleted and the words "of the General Court" shall be inserted after "The number of Judges". In the second paragraph, the words ", after consultation of the panel provided for in Article 224a" shall be inserted at the end of the second sentence.
- 209) The following new Article 224a shall be inserted:

"ARTICLE 224a

A panel shall be set up in order to give an opinion on candidates' suitability to perform the duties of Judge and Advocate-General of the Court of Justice and the General Court before the governments of the Member States make the appointments referred to in Articles 223 and 224.

The panel shall comprise seven persons chosen from among former members of the Court of Justice and the General Court, members of national supreme courts and lawyers of recognised competence, one of whom shall be proposed by the European Parliament. The Council shall adopt a decision establishing the panel's operating rules and a decision appointing its members. It shall act on the initiative of the President of the Court of Justice."

- 210) In Article 225, paragraph 1, first subparagraph, first sentence, the words "assigned to a judicial panel and those" shall be replaced by "assigned to a specialised court set up under Article 225a and those" and in paragraph 2, first subparagraph, the words "set up under Article 225a" shall be deleted.
- 211) Article 225a shall be amended as follows:

- (a) the first paragraph shall be replaced by the following text:

"The European Parliament and the Council, acting in accordance with the ordinary legislative procedure, may establish specialised courts attached to the General Court to hear and determine at first instance certain classes of action or proceeding brought in specific areas. The European Parliament and the Council shall act by means of regulations either on a proposal from the Commission after consultation of the Court of Justice or at the request of the Court of Justice after consultation of the Commission.";

- (b) in the second paragraph, the words "the decision" shall be replaced by "the regulation" and the words "the panel" shall be replaced by "the court";

- (c) in the third paragraph, the words "the decision establishing the panel" shall be replaced by "the regulation establishing the specialised court";
- (d) in the sixth paragraph, the words "the decision" shall be replaced by "the regulation" and the following sentence shall be added at the end: "Title I of the Statute and Article 64 thereof shall in any case apply to the specialised courts."

212) Article 228 shall be amended as follows:

- (a) in paragraph 2, the first and second subparagraphs shall be replaced by the following wording, which shall become the first subparagraph:

"2. If the Commission considers that the Member State concerned has not taken the necessary measures to comply with the judgment of the Court, it may bring the case before the Court after giving that State the opportunity to submit its observations. It shall specify the amount of the lump sum or penalty payment to be paid by the Member State concerned which it considers appropriate in the circumstances."

In the third subparagraph, which shall become the second, the words "of Justice" shall be deleted after "Court";

- (b) the following new paragraph 3 shall be added:

"3. When the Commission brings a case before the Court pursuant to Article 226 on the grounds that the Member State concerned has failed to fulfil its obligation to notify measures transposing a directive adopted under a legislative procedure, it may, when it deems appropriate, specify the amount of the lump sum or penalty payment to be paid by the Member State concerned which it considers appropriate in the circumstances.

If the Court finds that there is an infringement it may impose a lump sum or penalty payment on the Member State concerned not exceeding the amount specified by the Commission. The payment obligation shall take effect on the date set by the Court in its judgment."

213) In Article 229a, the words "the Council, acting unanimously on a proposal from the Commission and after consulting the European Parliament," shall be replaced by "the Council, acting unanimously in accordance with a special legislative procedure and after consulting the European Parliament," and the words "Community industrial property rights" shall be replaced by "European intellectual property rights". The last sentence shall be replaced by the following: "These provisions shall enter into force after their approval by the Member States in accordance with their respective constitutional requirements."

214) Article 230 shall be amended as follows:

- (a) in the first paragraph, the words "acts adopted jointly by the European Parliament and the Council," shall be replaced by "legislative acts," the words "and of the European Council" shall be inserted after "European Parliament" and the following sentence shall be added at the end: "It shall also review the legality of acts of bodies, offices or agencies of the Union intended to produce legal effects vis-à-vis third parties.";
- (b) in the third paragraph, the words "by the Court of Auditors and by the ECB for the purpose of protecting their prerogatives" shall be replaced by "by the Court of Auditors, by the European Central Bank and by the Committee of the Regions for the purpose of protecting their prerogatives";
- (c) the fourth paragraph shall be replaced by the following:

"Any natural or legal person may, under the conditions laid down in the first and second paragraphs, institute proceedings against an act addressed to that person or which is of direct and individual concern to them, and against a regulatory act which is of direct concern to them and does not entail implementing measures.";

- (d) the following new fifth paragraph shall be inserted, and the present fifth paragraph shall become the sixth paragraph:

"Acts setting up bodies, offices and agencies of the Union may lay down specific conditions and arrangements concerning actions brought by natural or legal persons against acts of these bodies, offices or agencies intended to produce legal effects in relation to them.".

215) In Article 231, the second paragraph shall be replaced by the following:
"However, the Court shall, if it considers this necessary, state which of the effects of the act which it has declared void shall be considered as definitive.".

216) Article 232 shall be amended as follows:

- (a) in the first paragraph, the words "the European Council," shall be inserted after "European Parliament", the words "or the European Central Bank" shall be inserted after "Commission", the word "or" before "the Commission" shall be replaced by a comma and the following sentence shall be added at the end of the paragraph: "This Article shall apply, under the same conditions, to bodies, offices and agencies of the Union which fail to act.";

- (b) in the third paragraph, the words ", body, office or agency" shall be inserted after "an institution";
 - (c) the fourth paragraph shall be deleted.
- 217) In Article 233, first paragraph, the words "or institutions" shall be deleted; the third paragraph shall be deleted.
- 218) In Article 234, first paragraph, point (b), the words "and of the ECB" shall be deleted and point (c) shall be deleted. The following paragraph shall be added at the end of the Article: "If such a question is raised in a case pending before a court or tribunal of a Member State with regard to a person in custody, the Court of Justice of the European Union shall act with the minimum of delay."
- 219) In Article 235, the reference to the second paragraph of Article 288 shall be replaced by a reference to the second and third paragraphs of Article 288.
- 220) The following new Article 235a shall be inserted:

"ARTICLE 235a

The Court of Justice shall have jurisdiction to decide on the legality of an act adopted by the European Council or by the Council pursuant to Article 7 of the Treaty on European Union solely at the request of the Member State concerned by a determination of the European Council or of the Council and in respect solely of the procedural stipulations contained in that Article.

Such a request must be made within one month from the date of such determination. The Court shall rule within one month from the date of the request."

- 221) In Article 236, the words "in the Staff Regulations or the Conditions of Employment" shall be replaced by "in the Staff Regulations of Officials and the Conditions of Employment of other servants of the Union".
- 222) In Article 237(d), at the beginning of the second sentence, the word "Governing" shall be inserted before "Council".
- 223) The following two new Articles 240a and 240b shall be inserted:

"ARTICLE 240a

The Court of Justice of the European Union shall not have jurisdiction with respect to the provisions relating to the common foreign and security policy nor with respect to acts adopted on the basis of those provisions.

However, the Court shall have jurisdiction to monitor compliance with Article 25b of the Treaty on European Union and to rule on proceedings, brought in accordance with the conditions laid down in the fourth paragraph of Article 230 of this Treaty, reviewing the legality of decisions providing for restrictive measures against natural or legal persons adopted by the Council on the basis of Chapter 2 of Title V of the Treaty on European Union.

ARTICLE 240b

In exercising its powers regarding the provisions of Chapters 4 and 5 of Title IV of Part Three relating to the area of freedom, security and justice, the Court of Justice of the European Union shall have no jurisdiction to review the validity or proportionality of operations carried out by the police or other law-enforcement services of a Member State or the exercise of the responsibilities incumbent upon Member States with regard to the maintenance of law and order and the safeguarding of internal security."

224) Article 241 shall be replaced by the following:

"ARTICLE 241

Notwithstanding the expiry of the period laid down in Article 230, sixth paragraph, any party may, in proceedings in which an act of general application adopted by an institution, body, office or agency of the Union is at issue, plead the grounds specified in Article 230, second paragraph, in order to invoke before the Court of Justice of the European Union the inapplicability of that act."

225) In Article 242, second sentence, the words "of Justice" after "Court" shall be deleted.

226) In Article 245, the second paragraph shall be replaced by the following:

"The European Parliament and the Council, acting in accordance with the ordinary legislative procedure, may amend the provisions of the Statute, with the exception of Title I and Article 64. The European Parliament and the Council shall act either at the request of the Court of Justice and after consultation of the Commission, or on a proposal from the Commission and after consultation of the Court of Justice."

EUROPEAN CENTRAL BANK

227) The following Section 4a and Article 245a shall be inserted:

"SECTION 4a THE EUROPEAN CENTRAL BANK

ARTICLE 245a

1. The European Central Bank, together with the national central banks, shall constitute the European System of Central Banks (ESCB). The European Central Bank, together with the national central banks of the Member States whose currency is the euro, which constitute the Eurosystem, shall conduct the monetary policy of the Union.

2. The ESCB shall be governed by the decision-making bodies of the European Central Bank. The primary objective of the ESCB shall be to maintain price stability. Without prejudice to that objective, it shall support the general economic policies in the Union in order to contribute to the achievement of the latter's objectives.

3. The European Central Bank shall have legal personality. It alone may authorise the issue of the euro. It shall be independent in the exercise of its powers and in the management of its finances. Union institutions, bodies, offices and agencies and the governments of the Member States shall respect that independence.

4. The European Central Bank shall adopt such measures as are necessary to carry out its tasks in accordance with Articles 105 to 111a, with Article 115 C, and with the conditions laid down in the Statute of the ESCB and of the ECB. In accordance with these same Articles, those Member States whose currency is not the euro, and their central banks, shall retain their powers in monetary matters.

5. Within the areas falling within its responsibilities, the European Central Bank shall be consulted on all proposed Union acts, and all proposals for regulation at national level, and may give an opinion."

228) An Article 245b shall be inserted, with the wording of Article 112; it shall be amended as follows:

- (a) in paragraph 1, the words "of the Member States whose currency is the euro" shall be inserted at the end after "national central banks";

- (b) in paragraph 2 the numbering (a) and (b) shall be deleted, the present point (a) shall become the first subparagraph and the three subparagraphs of the present point (b) shall respectively become the second, third and fourth subparagraphs of the paragraph; in the second subparagraph, the words "from among persons of recognised standing and professional experience in monetary or banking matters by common accord of the governments of the Member States at the level of Heads of State or Government," shall be replaced by "by the European Council, acting by a qualified majority, from among persons of recognised standing and professional experience in monetary or banking matters,".

229) An Article 245c shall be inserted, with the wording of Article 113.

COURT OF AUDITORS

230) In Article 246, the word "Union's" shall be inserted before "audit" and the following new paragraph shall be added as a second paragraph:

"It shall consist of one national of each Member State. Its members shall be completely independent in the performance of their duties, in the Union's general interest."

231) Article 247 shall be amended as follows:

- (a) paragraph 1 and the first subparagraph of paragraph 4 shall be deleted. Paragraphs 2 to 9 shall be renumbered 1 to 8 respectively;
- (b) in paragraph 2, renumbered 1, the word "countries" shall be replaced by "States";
- (c) in paragraph 4, renumbered 3, the word "they" shall be replaced by "the Members of the Court of Auditors";
- (d) in paragraph 8, renumbered 7, the words "by the same majority" shall be deleted.

232) In Article 248, the word "bodies" shall be replaced by "bodies, offices or agencies", singular or plural as the case may be, except in the expression "national audit bodies" and except in the final sentence of the first subparagraph of Article 248(3).

LEGAL ACTS OF THE UNION

233) The heading of Chapter 2 shall be replaced by the following "LEGAL ACTS OF THE UNION, ADOPTION PROCEDURES AND OTHER PROVISIONS".

234) A Section 1 shall be inserted above Article 249:

"SECTION 1
THE LEGAL ACTS OF THE UNION".

235) Article 249 shall be amended as follows:

(a) the first paragraph shall be replaced by the following:

"To exercise the Union's competences, the institutions shall adopt regulations, directives, decisions, recommendations and opinions.";

(b) the fourth paragraph shall be replaced by the following:

"A decision shall be binding in its entirety. A decision which specifies those to whom it is addressed shall be binding only on them.".

236) The following new Articles 249 A to 249 D shall be inserted:

"ARTICLE 249 A

1. The ordinary legislative procedure shall consist in the joint adoption by the European Parliament and the Council of a regulation, directive or decision on a proposal from the Commission. This procedure is defined in Article 251.

2. In the specific cases provided for by the Treaties, the adoption of a regulation, directive or decision by the European Parliament with the participation of the Council, or by the latter with the participation of the European Parliament, shall constitute a special legislative procedure.

3. Legal acts adopted by legislative procedure shall constitute legislative acts.

4. In the specific cases provided for by the Treaties, legislative acts may be adopted on the initiative of a group of Member States or of the European Parliament, on a recommendation from the European Central Bank or at the request of the Court of Justice or the European Investment Bank.

ARTICLE 249 B

1. A legislative act may delegate to the Commission the power to adopt non-Legislative acts of general application to supplement or amend certain non-essential elements of the legislative act.

The objectives, content, scope and duration of the delegation of power shall be explicitly defined in the legislative acts. The essential elements of an area shall be reserved for the legislative act and accordingly shall not be the subject of a delegation of power.

2. Legislative acts shall explicitly lay down the conditions to which the delegation is subject; these conditions may be as follows:

- (a) the European Parliament or the Council may decide to revoke the delegation;
- (b) the delegated act may enter into force only if no objection has been expressed by the European Parliament or the Council within a period set by the legislative act.

For the purposes of (a) and (b), the European Parliament shall act by a majority of its component members, and the Council by a qualified majority.

3. The adjective "delegated" shall be inserted in the title of delegated acts.

ARTICLE 249 C

1. Member States shall adopt all measures of national law necessary to implement legally binding Union acts.

2. Where uniform conditions for implementing legally binding Union acts are needed, those acts shall confer implementing powers on the Commission, or, in duly justified specific cases and in the cases provided for in Articles 11 and 13 of the Treaty on European Union, on the Council.

3. For the purposes of paragraph 2, the European Parliament and the Council, acting by means of regulations in accordance with the ordinary legislative procedure, shall lay down in advance the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers.

4. The word "implementing" shall be inserted in the title of implementing acts.

ARTICLE 249 D

The Council shall adopt recommendations. It shall act on a proposal from the Commission in all cases where the Treaties provide that it shall adopt acts on a proposal from the Commission. It shall act unanimously in those areas in which unanimity is required for the adoption of a Union act. The Commission, and the European Central Bank in the specific cases provided for in the Treaties, shall adopt recommendations."

PROCEDURES FOR THE ADOPTION OF ACTS AND OTHER PROVISIONS

237) A Section 2 "PROCEDURES FOR THE ADOPTION OF ACTS AND OTHER PROVISIONS" shall be inserted before Article 250.

238) In Article 250, paragraph 1 shall be replaced by the following:

"1. Where, pursuant to the Treaties, the Council acts on a proposal from the Commission, the Council may amend that proposal only by acting unanimously, except in the cases referred to in paragraphs 10 and 13 of Article 251, in Articles 268, 270a and 272 and in the second paragraph of Article 273."

239) Article 251 shall be amended as follows:

- (a) in paragraph 1 the words "to this Article" shall be replaced by "to the ordinary legislative procedure";
- (b) the second and third subparagraphs of paragraph 2, and paragraphs 3 to 7 shall be replaced by the following:

"First reading

3. The European Parliament shall adopt its position at first reading and communicate it to the Council.

4. If the Council approves the European Parliament's position, the act concerned shall be adopted in the wording which corresponds to the position of the European Parliament.

5. If the Council does not approve the European Parliament's position, it shall adopt its position at first reading and communicate it to the European Parliament.

6. The Council shall inform the European Parliament fully of the reasons which led it to adopt its position at first reading. The Commission shall inform the European Parliament fully of its position.

Second reading

7. If, within three months of such communication, the European Parliament:
 - (a) approves the Council's position at first reading or has not taken a decision, the act concerned shall be deemed to have been adopted in the wording which corresponds to the position of the Council;
 - (b) rejects, by a majority of its component members, the Council's position at first reading, the proposed act shall be deemed not to have been adopted;
 - (c) proposes, by a majority of its component members, amendments to the Council's position at first reading, the text thus amended shall be forwarded to the Council and to the Commission, which shall deliver an opinion on those amendments.
8. If, within three months of receiving the European Parliament's amendments, the Council, acting by a qualified majority:
 - (a) approves all those amendments, the act in question shall be deemed to have been adopted;
 - (b) does not approve all the amendments, the President of the Council, in agreement with the President of the European Parliament, shall within six weeks convene a meeting of the Conciliation Committee.
9. The Council shall act unanimously on the amendments on which the Commission has delivered a negative opinion.

Conciliation

10. The Conciliation Committee, which shall be composed of the members of the Council or their representatives and an equal number of members representing the European Parliament, shall have the task of reaching agreement on a joint text, by a qualified majority of the members of the Council or their representatives and by a majority of the members representing the European Parliament within six weeks of its being convened, on the basis of the positions of the European Parliament and the Council at second reading.
11. The Commission shall take part in the Conciliation Committee's proceedings and shall take all necessary initiatives with a view to reconciling the positions of the European Parliament and the Council.

12. If, within six weeks of its being convened, the Conciliation Committee does not approve the joint text, the proposed act shall be deemed not to have been adopted.

Third reading

13. If, within that period, the Conciliation Committee approves a joint text, the European Parliament, acting by a majority of the votes cast, and the Council, acting by a qualified majority, shall each have a period of six weeks from that approval in which to adopt the act in question in accordance with the joint text. If they fail to do so, the proposed act shall be deemed not to have been adopted.

14. The periods of three months and six weeks referred to in this Article shall be extended by a maximum of one month and two weeks respectively at the initiative of the European Parliament or the Council.

Special provisions

15. Where, in the cases provided for in the Treaties, a legislative act is submitted to the ordinary legislative procedure on the initiative of a group of Member States, on a recommendation by the European Central Bank, or at the request of the Court of Justice, paragraph 2, the second sentence of paragraph 6, and paragraph 9 shall not apply.

In such cases, the European Parliament and the Council shall communicate the proposed act to the Commission with their positions at first and second readings. The European Parliament or the Council may request the opinion of the Commission throughout the procedure, which the Commission may also deliver on its own initiative. It may also, if it deems it necessary, take part in the Conciliation Committee in accordance with paragraph 11."

240) Article 252 shall be repealed. The following new Article 252a shall be inserted:

"ARTICLE 252a

The European Parliament, the Council and the Commission shall consult each other and by common agreement make arrangements for their cooperation. To that end, they may, in compliance with the Treaties, conclude interinstitutional agreements which may be of a binding nature."

241) Article 253 shall be replaced by the following:

"ARTICLE 253

Where the Treaties do not specify the type of act to be adopted, the institutions shall select it on a case-by-case basis, in compliance with the applicable procedures and with the principle of proportionality.

Legal acts shall state the reasons on which they are based and shall refer to any proposals, initiatives, recommendations, requests or opinions required by the Treaties.

When considering draft legislative acts, the European Parliament and the Council shall refrain from adopting acts not provided for by the relevant legislative procedure in the area in question."

242) Article 254 shall be replaced by the following:

"ARTICLE 254

1. Legislative acts adopted under the ordinary legislative procedure shall be signed by the President of the European Parliament and by the President of the Council.

Legislative acts adopted under a special legislative procedure shall be signed by the President of the institution which adopted them.

Legislative acts shall be published in the *Official Journal of the European Union*. They shall enter into force on the date specified in them or, in the absence thereof, on the twentieth day following that of their publication.

2. Non-legislative acts adopted in the form of regulations, directives or decisions, when the latter do not specify to whom they are addressed, shall be signed by the President of the institution which adopted them.

Regulations and directives which are addressed to all Member States, as well as Decisions which do not specify to whom they are addressed, shall be published in the *Official Journal of the European Union*. They shall enter into force on the date specified in them or, in the absence thereof, on the twentieth day following that of their publication.

Other directives, and decisions which specify to whom they are addressed, shall be notified to those to whom they are addressed and shall take effect upon such notification."

243) The following new Article 254a shall be inserted:

"ARTICLE 254a

1. In carrying out their missions, the institutions, bodies, offices and agencies of the Union shall have the support of an open, efficient and independent European administration.

2. In compliance with the Staff Regulations and the Conditions of Employment adopted on the basis of Article 283, the European Parliament and the Council, acting by means of regulations in accordance with the ordinary legislative procedure, shall establish provisions to that end."

244) Article 255 shall become Article 16 A; it shall be amended as set out above in point 28.

245) In Article 256, first paragraph, the words "Decisions of the Council or of the Commission which impose" shall be replaced by "Acts of the Council, the Commission or the European Central Bank which impose".

ADVISORY BODIES

246) The following new Chapter 3 and Article 256a shall be inserted; Chapters 3 and 4 shall become Section 1 and Section 2 respectively and Chapter 5 shall be renumbered 4:

"CHAPTER 3
THE UNION'S ADVISORY BODIES

ARTICLE 256a

1. The European Parliament, the Council and the Commission shall be assisted by an Economic and Social Committee and a Committee of the Regions, exercising advisory functions.

2. The Economic and Social Committee shall consist of representatives of organisations of employers, of the employed, and of other parties representative of civil society, notably in socio-economic, civic, professional and cultural areas.

3. The Committee of the Regions shall consist of representatives of regional and local bodies who either hold a regional or local authority electoral mandate or are politically accountable to an elected assembly.

4. The members of the Economic and Social Committee and of the Committee of the Regions shall not be bound by any mandatory instructions. They shall be completely independent in the performance of their duties, in the Union's general interest.

5. The rules referred to in paragraphs 2 and 3 governing the nature of the composition of the Committees shall be reviewed at regular intervals by the Council to take account of economic, social and demographic developments within the Union. The Council, on a proposal from the Commission, shall adopt decisions to that end."

ECONOMIC AND SOCIAL COMMITTEE

247) Articles 257 and 261 shall be repealed.

248) In Article 258, the second and third paragraphs shall be replaced by the following paragraph:

"The Council, acting unanimously on a proposal from the Commission, shall adopt a decision determining the Committee's composition."

249) Article 259 shall be amended as follows:

(a) in paragraph 1, the first sentence shall be replaced by the following sentence: "The members of the Committee shall be appointed for five years.";

(b) paragraph 2 shall be replaced by the following:
"2. The Council shall act after consulting the Commission. It may obtain the opinion of European bodies which are representative of the various economic and social sectors and of civil society to which the Union's activities are of concern."

250) In Article 260, in the first paragraph, the words "two years" shall be replaced by "two and a half years" and in the third paragraph, the words "of the European Parliament," shall be inserted before "of the Council".

251) Article 262 shall be amended as follows:

(a) a reference to the European Parliament shall be inserted before the reference to the Council in the first, second and third paragraphs;

(b) in the first paragraph, the word "must" shall be replaced by "shall";

- (c) in the third paragraph, the words "and that of the specialised section" shall be deleted.
- (d) the fourth paragraph shall be deleted.

COMMITTEE OF THE REGIONS

252) Article 263 shall be amended as follows:

- (a) the first paragraph shall be deleted;
- (b) the third paragraph, which shall become the second, shall be replaced by the following:

"The Council, acting unanimously on a proposal from the Commission, shall adopt a decision determining the Committee's composition.";
- (c) in the fourth paragraph, which shall become the third, in the first sentence, the words "on proposals from the respective Member States" shall be deleted and the figure "four" shall be replaced by "five"; in the fourth sentence, the words "the first paragraph" shall be replaced by the words "Article 256a(3),";
- (d) the last paragraph shall be deleted.

253) In Article 264, first paragraph, the words "two years" shall be replaced by "two and a half years" and in the third paragraph, the words "of the European Parliament," shall be inserted before "of the Council".

254) Article 265 shall be amended as follows:

- (a) a reference to the European Parliament shall be inserted before the reference to the Council in the first, second, third and last paragraphs;
- (b) in the first paragraph, the word "two" shall be deleted;
- (c) the fourth paragraph shall be deleted ;

EUROPEAN INVESTMENT BANK

255) In Article 266, third paragraph, the words "at the request of the Commission" shall be replaced by "on a proposal from the Commission" and the words "in accordance with a special legislative procedure" shall be inserted after

"unanimously" and the words "Articles 4, 11, and 12 and Article 18(5) of" shall be deleted.

256) In Article 267(b), the word "progressive" shall be deleted and the words "or functioning" shall be inserted after "establishment".

FINANCIAL PROVISIONS

257) Article 268 shall be amended as follows:

(a) in the first paragraph, the words ", including those relating to the European Social Fund," shall be deleted and the three paragraphs shall become paragraph 1;

(b) the second subparagraph shall be replaced by the following:

"The Union's annual budget shall be established by the European Parliament and the Council in accordance with Article 272.";

(c) the following new paragraphs 2 to 6 shall be added:

"2. The expenditure shown in the budget shall be authorised for the annual budgetary period in accordance with the regulation referred to in Article 279.

3. The implementation of expenditure shown in the budget shall require the prior adoption of a legally binding Union act providing a legal basis for its action and for the implementation of the corresponding expenditure in accordance with the regulation referred to in Article 279, except in cases for which that law provides.

4. With a view to maintaining budgetary discipline, the Union shall not adopt any act which is likely to have appreciable implications for the budget without providing an assurance that the expenditure arising from such an act is capable of being financed within the limit of the Union's own resources and in compliance with the multiannual financial framework referred to in Article 270a.

5. The budget shall be implemented in accordance with the principle of sound financial management. Member States shall cooperate with the Union to ensure that the appropriations entered in the budget are used in accordance with this principle.

6. The Union and the Member States, in accordance with Article 280, shall counter fraud and any other illegal activities affecting the financial interests of the Union."

THE UNION'S OWN RESOURCES

258) A Chapter 1 "THE UNION'S OWN RESOURCES" shall be inserted before Article 269.

259) Article 269 shall be amended as follows:

(a) the following new first paragraph shall be inserted:

"The Union shall provide itself with the means necessary to attain its objectives and carry through its policies.";

(b) the last paragraph shall be replaced by the following two paragraphs:

"The Council, acting in accordance with a special legislative procedure, shall unanimously and after consulting the European Parliament adopt a decision laying down the provisions relating to the system of own resources of the Union. In this context it may establish new categories of own resources or abolish an existing category. That decision shall not enter into force until it is approved by the Member States in accordance with their respective constitutional requirements.

The Council, acting by means of regulations in accordance with a special legislative procedure, shall lay down implementing measures for the Union's own resources system insofar as this is provided for in the decision adopted on the basis of the third paragraph. The Council shall act after obtaining the consent of the European Parliament."

260) Article 270 shall be repealed.

MULTIANNUAL FINANCIAL FRAMEWORK

261) The following new Chapter 2 and new Article 270a shall be inserted:

"CHAPTER 2
THE MULTIANNUAL FINANCIAL FRAMEWORK

ARTICLE 270a

1. The multiannual financial framework shall ensure that Union expenditure develops in an orderly manner and within the limits of its own resources.

It shall be established for a period of at least five years.

The annual budget of the Union shall comply with the multiannual financial framework.

2. The Council, acting in accordance with a special legislative procedure, shall adopt a regulation laying down the multiannual financial framework. The Council shall act unanimously after obtaining the consent of the European Parliament, which shall be given by a majority of its component members.

The European Council may, unanimously, adopt a decision authorising the Council to act by a qualified majority when adopting the regulation referred to in the first subparagraph.

3. The financial framework shall determine the amounts of the annual ceilings on commitment appropriations by category of expenditure and of the annual ceiling on payment appropriations. The categories of expenditure, limited in number, shall correspond to the Union's major sectors of activity.

The financial framework shall lay down any other provisions required for the Annual budgetary procedure to run smoothly.

4. Where no Council regulation determining a new financial framework has been adopted by the end of the previous financial framework, the ceilings and other provisions corresponding to the last year of that framework shall be extended until such time as that act is adopted.

5. Throughout the procedure leading to the adoption of the financial framework, the European Parliament, the Council and the Commission shall take any measure necessary to facilitate its adoption."

THE UNION'S ANNUAL BUDGET

262) A Chapter 3 "THE UNION'S ANNUAL BUDGET" shall be inserted after Article 270a.

263) An Article 270b shall be inserted, with the wording of Article 272(1).

264) Article 271 shall become the new Article 273a; it shall be amended as set out below in point 267.

265) Article 272(1) shall become Article 270b and paragraphs 2 to 10 of Article 272 shall be replaced by the following:

"ARTICLE 272

The European Parliament and the Council, acting in accordance with a special legislative procedure, shall establish the Union's annual budget in accordance with the following provisions.

1. With the exception of the European Central Bank, each institution shall, before 1 July, draw up estimates of its expenditure for the following financial year. The Commission shall consolidate these estimates in a draft budget which may contain different estimates.

The draft budget shall contain an estimate of revenue and an estimate of expenditure.

2. The Commission shall submit a proposal containing the draft budget to the European Parliament and to the Council not later than 1 September of the year preceding that in which the budget is to be implemented.

The Commission may amend the draft budget during the procedure until such time as the Conciliation Committee, referred to in paragraph 5, is convened.

3. The Council shall adopt its position on the draft budget and forward it to the European Parliament not later than 1 October of the year preceding that in which the budget is to be implemented. The Council shall inform the European Parliament in full of the reasons which led it to adopt its position.

4. If, within forty-two days of such communication, the European Parliament:

(a) approves the position of the Council, the budget shall be adopted;

(b) has not taken a decision, the budget shall be deemed to have been adopted;

(c) adopts amendments by a majority of its component members, the amended draft shall be forwarded to the Council and to the Commission. The President of the European Parliament, in agreement with the President of the Council, shall immediately convene a meeting of the Conciliation Committee. However, if within ten days of the draft being forwarded the Council informs the European Parliament that it has approved all its amendments, the Conciliation Committee shall not meet.

5. The Conciliation Committee, which shall be composed of the members of the Council or their representatives and an equal number of members representing the European Parliament, shall have the task of reaching agreement on a joint text, by a

qualified majority of the members of the Council or their representatives and by a majority of the representatives of the European Parliament within twenty-one days of its being convened, on the basis of the positions of the European Parliament and the Council.

The Commission shall take part in the Conciliation Committee's proceedings and shall take all the necessary initiatives with a view to reconciling the positions of the European Parliament and the Council.

6. If, within the twenty-one days referred to in paragraph 5, the Conciliation Committee agrees on a joint text, the European Parliament and the Council shall each have a period of fourteen days from the date of that agreement in which to approve the joint text.

7. If, within the period of fourteen days referred to in paragraph 6:

- (a) the European Parliament and the Council both approve the joint text or fail to take a decision, or if one of these institutions approves the joint text while the other one fails to take a decision, the budget shall be deemed to be definitively adopted in accordance with the joint text; or
- (b) the European Parliament, acting by a majority of its component members, and the Council both reject the joint text, or if one of these institutions rejects the joint text while the other one fails to take a decision, a new draft budget shall be submitted by the Commission; or
- (c) the European Parliament, acting by a majority of its component members, rejects the joint text while the Council approves it, a new draft budget shall be submitted by the Commission; or
- (d) the European Parliament approves the joint text whilst the Council rejects it, the European Parliament may, within fourteen days from the date of the rejection by the Council and acting by a majority of its component members and three-fifths of the votes cast, decide to confirm all or some of the amendments referred to in paragraph 4(c). Where a European Parliament amendment is not confirmed, the position agreed in the Conciliation Committee on the budget heading which is the subject of the amendment shall be retained. The budget shall be deemed to be definitively adopted on this basis.

8. If, within the twenty-one days referred to in paragraph 5, the Conciliation Committee does not agree on a joint text, a new draft budget shall be submitted by the Commission.

9. When the procedure provided for in this Article has been completed, the President of the European Parliament shall declare that the budget has been definitively adopted.

10. Each institution shall exercise the powers conferred upon it under this Article in compliance with the Treaties and the acts adopted thereunder, with particular regard to the Union's own resources and the balance between revenue and expenditure."

266) Article 273 shall be amended as follows:

- (a) in the first paragraph, the word "voted" shall be replaced by "definitively adopted", the words "or other subdivision" shall be deleted and, at the end of the sentence, the words "this arrangement shall not, however, have the effect of placing at the disposal of the Commission appropriations in excess of one twelfth of those provided for in the draft budget in course of preparation" shall be replaced by "that sum shall not, however, exceed one twelfth of the appropriations provided for in the same chapter of the draft budget.";
- (b) in the second paragraph, the words "on a proposal from the Commission," shall be inserted after "The Council" and the following shall be added at the end: "in accordance with the regulations made pursuant to Article 279. The Council shall forward the decision immediately to the European Parliament.";
- (c) the third paragraph shall be deleted;
- (d) the last paragraph shall be replaced by the following:

"The decision referred to in the second paragraph shall lay down the necessary measures relating to resources to ensure application of this Article, in accordance with the acts referred to in Article 269.

It shall enter into force thirty days following its adoption if the European Parliament, acting by a majority of its component members, has not decided to reduce this expenditure within that time-limit."

267) An Article 273a shall be inserted, with the wording of Article 271; it shall be amended as follows:

- (a) the first paragraph shall be deleted;
- (b) In the third paragraph, which has become the second, the words "as far as may be necessary" shall be deleted;

- (c) in the last paragraph, the words "the Council, the Commission and the Court of Justice" shall be replaced by "the European Council and the Council, the Commission and the Court of Justice of the European Union".

IMPLEMENTATION OF THE BUDGET AND DISCHARGE

268) A Chapter 4 "IMPLEMENTATION OF THE BUDGET AND DISCHARGE", shall be inserted before Article 274, which shall be amended as follows:

- (a) in the first paragraph, the words at the beginning "The Commission shall implement the budget" shall be replaced by "The Commission shall implement the budget in cooperation with the Member States";
- (b) the second paragraph shall be replaced by the following:

"The regulations shall lay down the control and audit obligations of the Member States in the implementation of the budget and the resulting responsibilities. They shall also lay down the responsibilities and detailed rules for each institution concerning its part in effecting its own expenditure."

269) In Article 275 the order of the Council and the European Parliament shall be reversed. The following new second paragraph shall be added:

"The Commission shall also submit to the European Parliament and to the Council an evaluation report on the Union's finances based on the results achieved, in particular in relation to the indications given by the European Parliament and the Council pursuant to Article 276".

270) In Article 276(1), the words "the accounts and the financial statement referred to in Article 275" shall be replaced by "the accounts, the financial statement and the evaluation report referred to in Article 275."

COMMON FINANCIAL PROVISIONS

271) A Chapter 5 "COMMON PROVISIONS" shall be inserted before Article 277.

272) Article 277 shall be replaced by the following:

"ARTICLE 277

The multiannual financial framework and the annual budget shall be drawn up in euro."

273) Article 279 shall be amended as follows:

(a) paragraph 1 shall be replaced by the following:

"1. The European Parliament and the Council, acting in accordance with the ordinary legislative procedure, and after consulting the Court of Auditors, shall adopt by means of regulations:

(a) the financial rules which determine in particular the procedure to be adopted for establishing and implementing the budget and for presenting and auditing accounts;

(b) rules providing for checks on the responsibility of financial actors, in particular authorising officers and accounting officers.";

(b) in paragraph 2, the word "unanimously" and the words "obtaining the opinion of" shall be deleted.

274) The following new Articles 279a and 279b shall be inserted:

"ARTICLE 279a

The European Parliament, the Council and the Commission shall ensure that the Financial means are made available to allow the Union to fulfil its legal obligations in respect of third parties.

ARTICLE 279b

Regular meetings between the Presidents of the European Parliament, the Council and the Commission shall be convened, on the initiative of the Commission, under the budgetary procedures referred to in this Title. The Presidents shall take all the necessary steps to promote consultation and the reconciliation of the positions of the institutions over which they preside in order to facilitate the implementation of this Title."

COMBATING FRAUD

275) A Chapter 6 "COMBATING FRAUD" shall be inserted before Article 280.

276) Article 280 shall be amended as follows:

- (a) the following words shall be added at the end of paragraph 1: ", and in all the Union's institutions, bodies, offices and agencies.";
- (b) in paragraph 4, the following words: "and in all the Union's institutions, bodies, offices and agencies" shall be inserted after the words: "in the Member States", and the last sentence shall be deleted.

ENHANCED COOPERATION

277) A Title III "ENHANCED COOPERATION" shall be inserted after Article 280.

278) The following new Articles 280 A to 280 I shall be inserted, which, with Article 10 of the Treaty on European Union, shall replace the current Articles 27a to 27e, Articles 40 to 40b and Articles 43 to 45 of the Treaty on European Union and Articles 11 and 11a of the Treaty establishing the European Community:

"ARTICLE 280 A

Any enhanced cooperation shall comply with the Treaties and the law of the Union.

Such cooperation shall not undermine the internal market or economic, social and territorial cohesion. It shall not constitute a barrier to or discrimination in trade between Member States, nor shall it distort competition between them.

ARTICLE 280 B

Any enhanced cooperation shall respect the competences, rights and obligations of those Member States which do not participate in it. Those Member States shall not impede its implementation by the participating Member States.

ARTICLE 280 C

1. When enhanced cooperation is being established, it shall be open to all Member States, subject to compliance with any conditions of participation laid down by the authorising decision. It shall also be open to them at any other time, subject to compliance with the acts already adopted within that framework, in addition to those conditions.

The Commission and the Member States participating in enhanced cooperation shall ensure that they promote participation by as many Member States as possible.

2. The Commission and, where appropriate, the High Representative of the Union for Foreign Affairs and Security Policy shall keep the European Parliament and the Council regularly informed regarding developments in enhanced cooperation.

ARTICLE 280 D

1. Member States which wish to establish enhanced cooperation between themselves in one of the areas covered by the Treaties, with the exception of fields of exclusive competence and the common foreign and security policy, shall address a request to the Commission, specifying the scope and objectives of the enhanced cooperation proposed. The Commission may submit a proposal to the Council to that effect. In the event of the Commission not submitting a proposal, it shall inform the Member States concerned of the reasons for not doing so.

Authorisation to proceed with the enhanced cooperation referred to in the first subparagraph shall be granted by the Council, on a proposal from the Commission and after obtaining the consent of the European Parliament.

2. The request of the Member States which wish to establish enhanced Cooperation between themselves within the framework of the common foreign and security policy shall be addressed to the Council. It shall be forwarded to the High Representative of the Union for Foreign Affairs and Security Policy, who shall give an opinion on whether the enhanced cooperation proposed is consistent with the Union's common foreign and security policy, and to the Commission, which shall give its opinion in particular on whether the enhanced cooperation proposed is consistent with other Union policies. It shall also be forwarded to the European Parliament for information.

Authorisation to proceed with enhanced cooperation shall be granted by a decision of the Council acting unanimously.

ARTICLE 280 E

All members of the Council may participate in its deliberations, but only members of the Council representing the Member States participating in enhanced cooperation shall take part in the vote.

Unanimity shall be constituted by the votes of the representatives of the participating Member States only.

A qualified majority shall be defined in accordance with Article 205(3).

ARTICLE 280 F

1. Any Member State which wishes to participate in enhanced cooperation in progress in one of the areas referred to in Article 280 D(1) shall notify its intention to the Council and the Commission.

The Commission shall, within four months of the date of receipt of the notification, confirm the participation of the Member State concerned. It shall note where necessary that the conditions of participation have been fulfilled and shall adopt any transitional measures necessary with regard to the application of the acts already adopted within the framework of enhanced cooperation.

However, if the Commission considers that the conditions of participation have not been fulfilled, it shall indicate the arrangements to be adopted to fulfil those conditions and shall set a deadline for re-examining the request. On the expiry of that deadline, it shall re-examine the request, in accordance with the procedure set out in the second subparagraph. If the Commission considers that the conditions of participation have still not been met, the Member State concerned may refer the matter to the Council, which shall decide on the request. The Council shall act in accordance with Article 280 E. It may also adopt the transitional measures referred to in the second subparagraph on a proposal from the Commission.

2. Any Member State which wishes to participate in enhanced cooperation in progress in the framework of the common foreign and security policy shall notify its intention to the Council, the High Representative of the Union for Foreign Affairs and Security Policy and the Commission.

The Council shall confirm the participation of the Member State concerned, after Consulting the High Representative of the Union for Foreign Affairs and Security Policy and after noting, where necessary, that the conditions of participation have been fulfilled. The Council, on a proposal from the High Representative, may also adopt any transitional measures necessary with regard to the application of the acts already adopted within the framework of enhanced cooperation. However, if the Council considers that the conditions of participation have not been fulfilled, it shall indicate the arrangements to be adopted to fulfil those conditions and shall set a deadline for re-examining the request for participation.

For the purposes of this paragraph, the Council shall act unanimously and in accordance with Article 280 E.

ARTICLE 280 G

Expenditure resulting from implementation of enhanced cooperation, other than administrative costs entailed for the institutions, shall be borne by the participating Member States, unless all members of the Council, acting unanimously after consulting the European Parliament, decide otherwise.

ARTICLE 280 H

1. Where a provision of the Treaties which may be applied in the context of Enhanced cooperation stipulates that the Council shall act unanimously, the Council, acting unanimously in accordance with the arrangements laid down in Article 280 E, may adopt a decision stipulating that it will act by a qualified majority.

2. Where a provision of the Treaties which may be applied in the context of enhanced cooperation stipulates that the Council shall adopt acts under a special legislative procedure, the Council, acting unanimously in accordance with the arrangements laid down in Article 280 E, may adopt a decision stipulating that it will act under the ordinary legislative procedure. The Council shall act after consulting the European Parliament.

3. Paragraphs 1 and 2 shall not apply to decisions having military or defence implications.

ARTICLE 280 I

The Council and the Commission shall ensure the consistency of activities undertaken in the context of enhanced cooperation and the consistency of such activities with the policies of the Union, and shall cooperate to that end."

GENERAL AND FINAL PROVISIONS

279) Part Six shall be renumbered "PART SEVEN".

280) Articles 281, 293, 305 and 314 shall be repealed. Article 286 shall be replaced by Article 16 B.

- 281) In Article 282, the following sentence shall be added at the end: "However, the Union shall be represented by each of the institutions, by virtue of their administrative autonomy, in matters relating to their respective operation."
- 282) At the beginning of Article 283, the words "The Council shall, acting by a qualified majority on a proposal from the Commission and after consulting" shall be replaced by "The European Parliament and the Council shall, acting by means of regulations in accordance with the ordinary legislative procedure and after consulting" and at the end the words "servants of those Communities" shall be replaced by the words "servants of the Union".
- 283) In Article 288, the third paragraph shall be replaced by the following:
- "Notwithstanding the second paragraph, the European Central Bank shall, in accordance with the general principles common to the laws of the Member States, make good any damage caused by it or by its servants in the performance of their duties."
- 284) In Article 290, the words "by means of regulations" shall be added at the end.
- 285) In Article 291, the words ", the European Monetary Institute" shall be deleted.
- 286) Article 294 shall become Article 48a.
- 287) Article 299 shall be amended as follows:
- (a) paragraph 1 shall be deleted. The first subparagraph of paragraph 2 and paragraphs 3 to 6 shall become Article 311a; they shall be amended as set out below in point 293.
- Paragraph 2 shall not be numbered;
- (b) at the beginning of the first paragraph, the word "However," shall be deleted and the words "the French overseas departments" shall be replaced by "Guadeloupe, French Guiana, Martinique, Réunion, Saint-Barthélemy, Saint-Martin"; the following sentence shall be added at the end of the paragraph: "Where the specific measures in question are adopted by the Council in accordance with a special legislative procedure, it shall also act on a proposal from the Commission and after consulting the European Parliament.";
- (c) at the beginning of the second paragraph, the words "The Council shall, when adopting the relevant measures referred to in the second subparagraph, take into account areas such as" shall be replaced by "The

measures referred to in the first paragraph concern in particular areas such as";

(d) at the beginning of the third paragraph, the reference to the second subparagraph shall be replaced by a reference to the first paragraph.

288) Articles 300 and 301 shall be replaced by Articles 188 N and 188 K respectively and Articles 302 to 304 shall be replaced by Article 188 P.

289) Article 308 shall be replaced by the following:

"ARTICLE 308

1. If action by the Union should prove necessary, within the framework of the Policies defined in the Treaties, to attain one of the objectives set out in the Treaties, and the Treaties have not provided the necessary powers, the Council, acting unanimously on a proposal from the Commission and after obtaining the consent of the European Parliament, shall adopt the appropriate measures. Where the measures in question are adopted by the Council in accordance with a special legislative procedure, it shall also act unanimously on a proposal from the Commission and after obtaining the consent of the European Parliament.

2. Using the procedure for monitoring the subsidiarity principle referred to in Article 3b(3) of the Treaty on European Union, the Commission shall draw national Parliaments' attention to proposals based on this Article.

3. Measures based on this Article shall not entail harmonisation of Member States' laws or regulations in cases where the Treaties exclude such harmonisation.

4. This Article cannot serve as a basis for attaining objectives pertaining to the common foreign and security policy and any acts adopted pursuant to this Article shall respect the limits set out in Article 25b, second paragraph, of the Treaty on European Union."

290) The following new Article 308a shall be inserted:

"ARTICLE 308a

Article 48(7) of the Treaty on European Union shall not apply to the following Articles:

- Article 269, third and fourth paragraphs,
- Article 270a(2), first subparagraph,

- Article 308, and
- Article 309."

291) Article 309 shall be replaced by the following:

"ARTICLE 309

For the purposes of Article 7 of the Treaty on European Union on the suspension of certain rights resulting from Union membership, the member of the European Council or of the Council representing the Member State in question shall not take part in the vote and the Member State in question shall not be counted in the calculation of the one third or four fifths of Member States referred to in paragraphs 1 and 2 of that Article. Abstentions by members present in person or represented shall not prevent the adoption of decisions referred to in paragraph 2 of that Article.

For the adoption of the decisions referred to in paragraphs 3 and 4 of Article 7 of the Treaty on European Union, a qualified majority shall be defined in accordance with Article 205(3)(b) of this Treaty.

Where, following a decision to suspend voting rights adopted pursuant to paragraph 3 of Article 7 of the Treaty on European Union, the Council acts by a qualified majority on the basis of a provision of the Treaties, that qualified majority shall be defined in accordance with Article 205(3)(b) of this Treaty, or, where the Council acts on a proposal from the Commission or from the High Representative of the Union for Foreign Affairs and Security Policy, in accordance with Article 205(3)(a).

For the purposes of Article 7 of the Treaty on European Union, the European Parliament shall act by a two-thirds majority of the votes cast, representing the majority of its component members."

292) Article 310 shall become Article 188 M.

293) Article 311 shall be repealed. A new Article 311a shall be inserted, with the wording of Article 299(2), first subparagraph, and Article 299(3) to (6); the text shall be amended as follows:

- (a) the first subparagraph of paragraph 2 and paragraphs 3 to 6 shall be renumbered 1 to 5 and the following new introductory wording shall be inserted at the beginning of the Article:

"In addition to the provisions of Article 49 C of the Treaty on European Union relating to the territorial scope of the Treaties, the following provisions shall apply:";

- (b) at the beginning of the first subparagraph of paragraph 2, renumbered 1, the words "the French overseas departments, " shall be replaced by "Guadeloupe, French Guiana, Martinique, Réunion, Saint-Barthélemy, Saint-Martin" and the words "in accordance with Article 299" shall be added at the end;
- (c) in paragraph 3, renumbered 2, the words "of this Treaty" shall be deleted;
- (d) in paragraph 6, renumbered 5, the introductory words "Notwithstanding the preceding paragraphs:" shall be replaced by "Notwithstanding Article 49 C of the Treaty on European Union and paragraphs 1 to 4 of this Article:";
- (e) the following new paragraph shall be added at the end of the Article:

"6. The European Council may, on the initiative of the Member State concerned, adopt a decision amending the status, with regard to the Union, of a Danish, French or Netherlands country or territory referred to in paragraphs 1 and 2. The European Council shall act unanimously after consulting the Commission."

294) The heading "FINAL PROVISIONS" before Article 313 shall be deleted.

295) The following Article 313a shall be inserted:

"ARTICLE 313a

The provisions of Article 53 of the Treaty on European Union shall apply to this Treaty."

FINAL PROVISIONS

ARTICLE 3

This Treaty is concluded for an unlimited period.

ARTICLE 4

1. Protocol No 1 annexed to this Treaty contains the amendments to the Protocols annexed to the Treaty on European Union, to the Treaty establishing the European Community and/or to the Treaty establishing the European Atomic Energy Community.
2. Protocol No 2 annexed to this Treaty contains the amendments to the Treaty establishing the European Atomic Energy Community.

ARTICLE 5

1. The articles, sections, chapters, titles and parts of the Treaty on European Union and of the Treaty establishing the European Community, as amended by this Treaty, shall be renumbered in accordance with the tables of equivalences set out in the Annex to this Treaty, and which form an integral part of this Treaty.
2. The cross-references to the articles, sections, chapters, titles and parts of the Treaty on European Union and of the Treaty on the Functioning of the European Union, as well as between them, shall be adapted pursuant to paragraph 1 and the references to paragraphs of the said articles as renumbered or re-ordered by the provisions of this Treaty shall be adapted in accordance with those provisions.

References to the articles, sections, chapters, titles and parts of the Treaty on European Union and of the Treaty establishing the European Community contained in the other treaties and acts of primary legislation on which the Union is founded shall be adapted pursuant to paragraph 1 of this Article. References to recitals of the Treaty on European Union or to paragraphs or articles of the Treaty on European Union or of the Treaty establishing the European Community as renumbered or re-arranged by the provisions of this Treaty shall be adapted pursuant to this latter.

Such adaptations shall, where necessary, also apply in the event that the provision in question has been repealed.

3. The references to the recitals, articles, sections, chapters, titles and parts of the Treaty on European Union and of the Treaty establishing the European Community, as

amended by this Treaty, contained in other instruments or acts shall be understood as referring to the recitals, articles, sections, chapters, titles and parts of those Treaties as renumbered pursuant to paragraph 1 and, respectively, to the paragraphs of the said articles, as renumbered or re-arranged by certain provisions of this Treaty.

ARTICLE 6

1. This Treaty shall be ratified by the High Contracting Parties in accordance with their respective constitutional requirements. The instruments of ratification shall be deposited with the Government of the Italian Republic.

2. This Treaty shall enter into force on 1 January 2009, provided that all the instruments of ratification have been deposited, or, failing that, on the first day of the month following the deposit of the instrument of ratification by the last signatory State to take this step.

ARTICLE 7

This Treaty, referred to as the Treaty of Lisbon, drawn up in a single original in the Bulgarian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Irish, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish and Swedish languages, the texts in each of these languages being equally authentic, shall be deposited in the archives of the Government of the Italian Republic, which will transmit a certified copy to each of the governments of the other signatory States.

IN WITNESS WHEREOF the undersigned Plenipotentiaries have signed this Treaty.

Done at Lisbon, this thirteenth day of December in the year two thousand and seven.

PROTOCOLS

- A. PROTOCOLS TO BE ANNEXED TO THE TREATY ON EUROPEAN UNION, TO THE TREATY ON THE FUNCTIONING OF THE EUROPEAN UNION AND, WHERE APPLICABLE, TO THE TREATY ESTABLISHING THE EUROPEAN ATOMIC ENERGY COMMUNITY

PROTOCOL ON THE ROLE OF NATIONAL PARLIAMENTS IN THE EUROPEAN UNION

THE HIGH CONTRACTING PARTIES,

RECALLING that the way in which national Parliaments scrutinise their governments in relation to the activities of the European Union is a matter for the particular constitutional organisation and practice of each Member State;

DESIRING to encourage greater involvement of national Parliaments in the activities of the European Union and to enhance their ability to express their views on draft legislative acts of the European Union as well as on other matters which may be of particular interest to them,

HAVE AGREED UPON the following provisions, which shall be annexed to the Treaty on European Union, to the Treaty on the Functioning of the European Union and to the Treaty establishing the European Atomic Energy Community:

TITLE I INFORMATION FOR NATIONAL PARLIAMENTS

ARTICLE 1

Commission consultation documents (green and white papers and communications) shall be forwarded directly by the Commission to national Parliaments upon publication. The Commission shall also forward the annual legislative programme as well as any other instrument of legislative planning or policy to national Parliaments, at the same time as to the European Parliament and the Council.

ARTICLE 2

Draft legislative acts sent to the European Parliament and to the Council shall be forwarded to national Parliaments.

For the purposes of this Protocol, "draft legislative acts" shall mean proposals from the Commission, initiatives from a group of Member States, initiatives from the European Parliament, requests from the Court of Justice, recommendations from the European Central Bank and requests from the European Investment Bank, for the adoption of a legislative act.

Draft legislative acts originating from the Commission shall be forwarded to national Parliaments directly by the Commission, at the same time as to the European Parliament and the Council.

Draft legislative acts originating from the European Parliament shall be forwarded to national Parliaments directly by the European Parliament.

Draft legislative acts originating from a group of Member States, the Court of Justice, the European Central Bank or the European Investment Bank shall be forwarded to national Parliaments by the Council.

ARTICLE 3

National Parliaments may send to the Presidents of the European Parliament, the Council and the Commission a reasoned opinion on whether a draft legislative act complies with the principle of subsidiarity, in accordance with the procedure laid down in the Protocol on the application of the principles of subsidiarity and proportionality.

If the draft legislative act originates from a group of Member States, the President of the Council shall forward the reasoned opinion or opinions to the governments of those Member States.

If the draft legislative act originates from the Court of Justice, the European Central Bank or the European Investment Bank, the President of the Council shall forward the reasoned opinion or opinions to the institution or body concerned.

ARTICLE 4

An eight-week period shall elapse between a draft legislative act being made available to national Parliaments in the official languages of the Union and the date when it is placed on a provisional agenda for the Council for its adoption or for adoption of a position under a legislative procedure. Exceptions shall be possible in cases of

urgency, the reasons for which shall be stated in the act or position of the Council. Save in urgent cases for which due reasons have been given, no agreement may be reached on a draft legislative act during those eight weeks. Save in urgent cases for which due reasons have been given, a ten-day period shall elapse between the placing of a draft legislative act on the provisional agenda for the Council and the adoption of a position.

ARTICLE 5

The agendas for and the outcome of meetings of the Council, including the minutes of meetings where the Council is deliberating on draft legislative acts, shall be forwarded directly to national Parliaments, at the same time as to Member States' governments.

ARTICLE 6

When the European Council intends to make use of the first or second subparagraphs of Article 48(7) of the Treaty on European Union, national Parliaments shall be informed of the initiative of the European Council at least six months before any decision is adopted.

ARTICLE 7

The Court of Auditors shall forward its annual report to national Parliaments, for information, at the same time as to the European Parliament and to the Council.

ARTICLE 8

Where the national Parliamentary system is not unicameral, Articles 1 to 7 shall apply to the component chambers.

TITLE II INTERPARLIAMENTARY COOPERATION

ARTICLE 9

The European Parliament and national Parliaments shall together determine the organisation and promotion of effective and regular interparliamentary cooperation within the Union.

ARTICLE 10

A conference of Parliamentary Committees for Union Affairs may submit any contribution it deems appropriate for the attention of the European Parliament, the Council and the Commission. That conference shall in addition promote the exchange of information and best practice between national Parliaments and the European Parliament, including their special committees. It may also organise interparliamentary conferences on specific topics, in particular to debate matters of common foreign and security policy, including common security and defence policy. Contributions from the conference shall not bind national Parliaments and shall not prejudice their positions.

PROTOCOL
ON THE APPLICATION OF THE PRINCIPLES OF SUBSIDIARITY AND
PROPORTIONALITY

THE HIGH CONTRACTING PARTIES,

WISHING to ensure that decisions are taken as closely as possible to the citizens of the Union,

RESOLVED to establish the conditions for the application of the principles of subsidiarity and proportionality, as laid down in Article 3b of the Treaty on European Union, and to establish a system for monitoring the application of those principles,

HAVE AGREED UPON the following provisions, which shall be annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union:

ARTICLE 1

Each institution shall ensure constant respect for the principles of subsidiarity and proportionality, as laid down in Article 3b of the Treaty on European Union.

ARTICLE 2

Before proposing legislative acts, the Commission shall consult widely. Such consultations shall, where appropriate, take into account the regional and local dimension of the action envisaged. In cases of exceptional urgency, the Commission shall not conduct such consultations. It shall give reasons for its decision in its proposal.

ARTICLE 3

For the purposes of this Protocol, "draft legislative acts" shall mean proposals from the Commission, initiatives from a group of Member States, initiatives from the European Parliament, requests from the Court of Justice, recommendations from the European Central Bank and requests from the European Investment Bank for the adoption of a legislative act.

ARTICLE 4

The Commission shall forward its draft legislative acts and its amended drafts to national Parliaments at the same time as to the Union legislator.

The European Parliament shall forward its draft legislative acts and its amended drafts to national Parliaments.

The Council shall forward draft legislative acts originating from a group of Member States, the Court of Justice, the European Central Bank or the European Investment Bank and amended drafts to national Parliaments.

Upon adoption, legislative resolutions of the European Parliament and positions of the Council shall be forwarded by them to national Parliaments.

ARTICLE 5

Draft legislative acts shall be justified with regard to the principles of subsidiarity and proportionality. Any draft legislative act should contain a detailed statement making it possible to appraise compliance with the principles of subsidiarity and proportionality. This statement should contain some assessment of the proposal's financial impact and, in the case of a directive, of its implications for the rules to be put in place by Member States, including, where necessary, the regional legislation. The reasons for concluding that a Union objective can be better achieved at Union level shall be substantiated by qualitative and, wherever possible, quantitative indicators. Draft legislative acts shall take account of the need for any burden, whether financial or administrative, falling upon the Union, national governments, regional or local authorities, economic operators and citizens, to be minimised and commensurate with the objective to be achieved.

ARTICLE 6

Any national Parliament or any chamber of a national Parliament may, within eight weeks from the date of transmission of a draft legislative act, in the official languages of the Union, send to the Presidents of the European Parliament, the Council and the Commission a reasoned opinion stating why it considers that the draft in question does not comply with the principle of subsidiarity. It will be for each national Parliament or each chamber of a national Parliament to consult, where appropriate, regional parliaments with legislative powers.

If the draft legislative act originates from a group of Member States, the President of the Council shall forward the opinion to the governments of those Member States.

If the draft legislative act originates from the Court of Justice, the European Central Bank or the European Investment Bank, the President of the Council shall forward the opinion to the institution or body concerned.

ARTICLE 7

1. The European Parliament, the Council and the Commission, and, where appropriate, the group of Member States, the Court of Justice, the European Central Bank or the European Investment Bank, if the draft legislative act originates from them, shall take account of the reasoned opinions issued by national Parliaments or by a chamber of a national Parliament.

Each national Parliament shall have two votes, shared out on the basis of the national Parliamentary system. In the case of a bicameral Parliamentary system, each of the two chambers shall have one vote.

2. Where reasoned opinions on a draft legislative act's non-compliance with the principle of subsidiarity represent at least one third of all the votes allocated to the national Parliaments in accordance with the second subparagraph of paragraph 1, the draft must be reviewed. This threshold shall be a quarter in the case of a draft legislative act submitted on the basis of Article 61 I of the Treaty on the Functioning of the European Union on the area of freedom, security and justice.

After such review, the Commission or, where appropriate, the group of Member States, the European Parliament, the Court of Justice, the European Central Bank or the European Investment Bank, if the draft legislative act originates from them, may decide to maintain, amend or withdraw the draft. Reasons must be given for this decision.

3. Furthermore, under the ordinary legislative procedure, where reasoned opinions on the non-compliance of a proposal for a legislative act with the principle of subsidiarity represent at least a simple majority of the votes allocated to the national Parliaments in accordance with the second subparagraph of paragraph 1, the proposal must be reviewed. After such review, the Commission may decide to maintain, amend or withdraw the proposal.

If it chooses to maintain the proposal, the Commission will have, in a reasoned opinion, to justify why it considers that the proposal complies with the principle of subsidiarity. This reasoned opinion, as well as the reasoned opinions of the national Parliaments, will have to be submitted to the Union legislator, for consideration in the procedure:

- (a) before concluding the first reading, the legislator (the European Parliament and the Council) shall consider whether the legislative proposal is

compatible with the principle of subsidiarity, taking particular account of the reasons expressed and shared by the majority of national Parliaments as well as the reasoned opinion of the Commission;

- (b) if, by a majority of 55 % of the members of the Council or a majority of the votes cast in the European Parliament, the legislator is of the opinion that the proposal is not compatible with the principle of subsidiarity, the legislative proposal shall not be given further consideration.

ARTICLE 8

The Court of Justice of the European Union shall have jurisdiction in actions on grounds of infringement of the principle of subsidiarity by a legislative act, brought in accordance with the rules laid down in Article 230 of the Treaty on the Functioning of the European Union by Member States, or notified by them in accordance with their legal order on behalf of their national Parliament or a chamber thereof .

In accordance with the rules laid down in the said Article, the Committee of the Regions may also bring such actions against legislative acts for the adoption of which the Treaty on the Functioning of the European Union provides that it be consulted.

ARTICLE 9

The Commission shall submit each year to the European Council, the European Parliament, the Council and national Parliaments a report on the application of Article 3b of the Treaty on European Union. This annual report shall also be forwarded to the Economic and Social Committee and the Committee of the Regions.

PROTOCOL
ON THE EURO GROUP

THE HIGH CONTRACTING PARTIES,

DESIRING to promote conditions for stronger economic growth in the European Union and, to that end, to develop ever-closer coordination of economic policies within the euro area,

CONSCIOUS of the need to lay down special provisions for enhanced dialogue between the Member States whose currency is the euro, pending the euro becoming the currency of all Member States of the Union,

HAVE AGREED UPON the following provisions, which shall be annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union:

ARTICLE 1

The Ministers of the Member States whose currency is the euro shall meet informally. Such meetings shall take place, when necessary, to discuss questions related to the specific responsibilities they share with regard to the single currency. The Commission shall take part in the meetings. The European Central Bank shall be invited to take part in such meetings, which shall be prepared by the representatives of the Ministers with responsibility for finance of the Member States whose currency is the euro and of the Commission.

ARTICLE 2

The Ministers of the Member States whose currency is the euro shall elect a president for two and a half years, by a majority of those Member States.

PROTOCOL
ON PERMANENT STRUCTURED COOPERATION ESTABLISHED BY
ARTICLE 28 A OF THE TREATY ON EUROPEAN UNION

THE HIGH CONTRACTING PARTIES,

HAVING REGARD TO Article 28 A(6) and Article 28 E of the Treaty on European Union,

RECALLING that the Union is pursuing a common foreign and security policy based on the achievement of growing convergence of action by Member States;

RECALLING that the common security and defence policy is an integral part of the common foreign and security policy; that it provides the Union with operational capacity drawing on civil and military assets; that the Union may use such assets in the tasks referred to in Article 28 B of the Treaty on European Union outside the Union for peace-keeping, conflict prevention and strengthening international security in accordance with the principles of the United Nations Charter; that the performance of these tasks is to be undertaken using capabilities provided by the Member States in accordance with the principle of a single set of forces;

RECALLING that the common security and defence policy of the Union does not prejudice the specific character of the security and defence policy of certain Member States;

RECALLING that the common security and defence policy of the Union respects the obligations under the North Atlantic Treaty¹ of those Member States which see their common defence realised in the North Atlantic Treaty Organisation, which remains the foundation of the collective defence of its members, and is compatible with the common security and defence policy established within that framework;

CONVINCED that a more assertive Union role in security and defence matters will contribute to the vitality of a renewed Atlantic Alliance, in accordance with the Berlin Plus arrangements;

DETERMINED to ensure that the Union is capable of fully assuming its responsibilities within the international community;

RECOGNISING that the United Nations Organisation may request the Union's assistance for the urgent implementation of missions undertaken under Chapters VI and VII of the United Nations Charter;

¹ Treaty Series No.56 (1949) Cmd 7789

RECOGNISING that the strengthening of the security and defence policy will require efforts by Member States in the area of capabilities;

CONSCIOUS that embarking on a new stage in the development of the European security and defence policy involves a determined effort by the Member States concerned;

RECALLING the importance of the High Representative of the Union for Foreign Affairs and Security Policy being fully involved in proceedings relating to permanent structured cooperation,

HAVE AGREED UPON the following provisions, which shall be annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union:

ARTICLE 1

The permanent structured cooperation referred to in Article 28 A(6) of the Treaty on European Union shall be open to any Member State which undertakes, from the date of entry into force of the Treaty of Lisbon, to:

- (a) proceed more intensively to develop its defence capacities through the development of its national contributions and participation, where appropriate, in multinational forces, in the main European equipment programmes, and in the activity of the Agency in the field of defence capabilities development, research, acquisition and armaments (European Defence Agency), and
- (b) have the capacity to supply by 2010 at the latest, either at national level or as a component of multinational force groups, targeted combat units for the missions planned, structured at a tactical level as a battle group, with support elements including transport and logistics, capable of carrying out the tasks referred to in Article 28 B of the Treaty on European Union, within a period of 5 to 30 days, in particular in response to requests from the United Nations Organisation, and which can be sustained for an initial period of 30 days and be extended up to at least 120 days.

ARTICLE 2

To achieve the objectives laid down in Article 1, Member States participating in permanent structured cooperation shall undertake to:

- (a) cooperate, as from the entry into force of the Treaty of Lisbon, with a view to achieving approved objectives concerning the level of investment expenditure on

defence equipment, and regularly review these objectives, in the light of the security environment and of the Union's international responsibilities;

(b) bring their defence apparatus into line with each other as far as possible, particularly by harmonising the identification of their military needs, by pooling and, where appropriate, specialising their defence means and capabilities, and by encouraging cooperation in the fields of training and logistics;

(c) take concrete measures to enhance the availability, interoperability, flexibility and deployability of their forces, in particular by identifying common objectives regarding the commitment of forces, including possibly reviewing their national decision-making procedures;

(d) work together to ensure that they take the necessary measures to make good, including through multinational approaches, and without prejudice to undertakings in this regard within the North Atlantic Treaty Organisation, the shortfalls perceived in the framework of the "Capability Development Mechanism";

(e) take part, where appropriate, in the development of major joint or European equipment programmes in the framework of the European Defence Agency.

ARTICLE 3

The European Defence Agency shall contribute to the regular assessment of participating Member States' contributions with regard to capabilities, in particular contributions made in accordance with the criteria to be established, *inter alia*, on the basis of Article 2, and shall report thereon at least once a year. The assessment may serve as a basis for Council recommendations and decisions adopted in accordance with Article 28 E of the Treaty on European Union.

PROTOCOL
RELATING TO ARTICLE 6(2) OF THE TREATY ON EUROPEAN UNION ON
THE ACCESSION OF THE UNION TO THE EUROPEAN CONVENTION ON
THE PROTECTION OF HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS
THE HIGH CONTRACTING PARTIES

HAVE AGREED UPON the following provisions, which shall be annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union:

ARTICLE 1

The agreement relating to the accession of the Union to the European Convention on the Protection of Human Rights and Fundamental Freedoms (hereinafter referred to as the "European Convention") provided for in Article 6(2) of the Treaty on European Union shall make provision for preserving the specific characteristics of the Union and Union law, in particular with regard to:

- (a) the specific arrangements for the Union's possible participation in the control bodies of the European Convention;
- (b) the mechanisms necessary to ensure that proceedings by non-Member States and individual applications are correctly addressed to Member States and/or the Union as appropriate.

ARTICLE 2

The agreement referred to in Article 1 shall ensure that accession of the Union shall not affect the competences of the Union or the powers of its institutions. It shall ensure that nothing therein affects the situation of Member States in relation to the European Convention, in particular in relation to the Protocols thereto, measures taken by Member States derogating from the European Convention in accordance with Article 15 thereof and reservations to the European Convention made by Member States in accordance with Article 57 thereof.

ARTICLE 3

Nothing in the agreement referred to in Article 1 shall affect Article 292 of the Treaty on the Functioning of the European Union.

PROTOCOL
ON THE INTERNAL MARKET AND COMPETITION

THE HIGH CONTRACTING PARTIES,

CONSIDERING that the internal market as set out in Article 2 of the Treaty on European Union includes a system ensuring that competition is not distorted,

HAVE AGREED that:

to this end, the Union shall, if necessary, take action under the provisions of the Treaties, including under Article 308 of the Treaty on the Functioning of the European Union.

This protocol shall be annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union.

PROTOCOL
ON THE APPLICATION OF THE CHARTER OF FUNDAMENTAL RIGHTS OF
THE EUROPEAN UNION TO POLAND AND TO THE UNITED KINGDOM

THE HIGH CONTRACTING PARTIES,

WHEREAS in Article 6 of the Treaty on European Union, the Union recognises the rights, freedoms and principles set out in the Charter of Fundamental Rights of the European Union;

WHEREAS the Charter is to be applied in strict accordance with the provisions of the aforementioned Article 6 and Title VII of the Charter itself;

WHEREAS the aforementioned Article 6 requires the Charter to be applied and interpreted by the courts of Poland and of the United Kingdom strictly in accordance with the explanations referred to in that Article;

WHEREAS the Charter contains both rights and principles;

WHEREAS the Charter contains both provisions which are civil and political in character and those which are economic and social in character;

WHEREAS the Charter reaffirms the rights, freedoms and principles recognised in the Union and makes those rights more visible, but does not create new rights or principles;

RECALLING the obligations devolving upon Poland and the United Kingdom under the Treaty on European Union, the Treaty on the Functioning of the European Union, and Union law generally;

NOTING the wish of Poland and the United Kingdom to clarify certain aspects of the application of the Charter;

DESIROUS therefore of clarifying the application of the Charter in relation to the laws and administrative action of Poland and of the United Kingdom and of its justiciability within Poland and within the United Kingdom;

REAFFIRMING that references in this Protocol to the operation of specific provisions of the Charter are strictly without prejudice to the operation of other provisions of the Charter;

REAFFIRMING that this Protocol is without prejudice to the application of the Charter to other Member States;

REAFFIRMING that this Protocol is without prejudice to other obligations devolving upon Poland and the United Kingdom under the Treaty on European Union, the Treaty on the Functioning of the European Union, and Union law generally,

HAVE AGREED UPON the following provisions, which shall be annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union:

ARTICLE 1

1. The Charter does not extend the ability of the Court of Justice of the European Union, or any court or tribunal of Poland or of the United Kingdom, to find that the laws, regulations or administrative provisions, practices or action of Poland or of the United Kingdom are inconsistent with the fundamental rights, freedoms and principles that it reaffirms.

2. In particular, and for the avoidance of doubt, nothing in Title IV of the Charter creates justiciable rights applicable to Poland or the United Kingdom except in so far as Poland or the United Kingdom has provided for such rights in its national law.

ARTICLE 2

To the extent that a provision of the Charter refers to national laws and practices, it shall only apply to Poland or the United Kingdom to the extent that the rights or principles that it contains are recognised in the law or practices of Poland or of the United Kingdom.

PROTOCOL
ON THE EXERCISE OF SHARED COMPETENCE

THE HIGH CONTRACTING PARTIES

HAVE AGREED UPON the following provisions, which shall be annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union:

SOLE ARTICLE

With reference to Article 2 A(2) of the Treaty on the Functioning of the European Union on shared competence, when the Union has taken action in a certain area, the scope of this exercise of competence only covers those elements governed by the Union act in question and therefore does not cover the whole area.

PROTOCOL
ON SERVICES OF GENERAL INTEREST

THE HIGH CONTRACTING PARTIES,

WISHING to emphasise the importance of services of general interest,

HAVE AGREED UPON the following interpretative provisions, which shall be annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union:

ARTICLE 1

The shared values of the Union in respect of services of general economic interest within the meaning of Article 16 of the Treaty on the Functioning of the European Union include in particular:

- the essential role and the wide discretion of national, regional and local authorities in providing, commissioning and organising services of general economic interest as closely as possible to the needs of the users;
- the diversity between various services of general economic interest and the differences in the needs and preferences of users that may result from different geographical, social or cultural situations;
- a high level of quality, safety and affordability, equal treatment and the promotion of universal access and of user rights.

ARTICLE 2

The provisions of the Treaties do not affect in any way the competence of Member States to provide, commission and organise non-economic services of general interest.

PROTOCOL
ON THE DECISION OF THE COUNCIL RELATING TO THE
IMPLEMENTATION OF ARTICLE 9C(4) OF THE TREATY ON EUROPEAN
UNION AND ARTICLE 205(2) OF THE TREATY ON THE FUNCTIONING OF
THE EUROPEAN UNION BETWEEN 1 NOVEMBER 2014 AND 31 MARCH 2017
ON THE ONE HAND, AND AS FROM 1 APRIL 2017 ON THE OTHER

THE HIGH CONTRACTING PARTIES,

TAKING INTO ACCOUNT the fundamental importance that agreeing on the Decision of the Council relating to the implementation of Article 9 C(4) of the Treaty on European Union and Article 205(2) of the Treaty on the Functioning of the European Union between 1 November 2014 and 31 March 2017 on the one hand, and as from 1 April 2017 on the other (hereinafter "the Decision"), had when approving the Treaty of Lisbon,

HAVE AGREED UPON the following provisions, which shall be annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union:

SOLE ARTICLE

Before the examination by the Council of any draft which would aim either at amending or abrogating the Decision or any of its provisions, or at modifying indirectly its scope or its meaning through the modification of another legal act of the Union, the European Council shall hold a preliminary deliberation on the said draft, acting by consensus in accordance with Article 9 B(4) of the Treaty on European Union.

PROTOCOL
ON TRANSITIONAL PROVISIONS

THE HIGH CONTRACTING PARTIES,

WHEREAS, in order to organise the transition from the institutional provisions of the Treaties applicable prior to the entry into force of the Treaty of Lisbon to the provisions contained in that Treaty, it is necessary to lay down transitional provisions,

HAVE AGREED UPON the following provisions, which shall be annexed to the Treaty on European Union, to the Treaty on the Functioning of the European Union and to the Treaty establishing the European Atomic Energy Community:

ARTICLE 1

In this Protocol, the words "the Treaties" shall mean the Treaty on European Union, the Treaty on the Functioning of the European Union and the Treaty establishing the European Atomic Energy Community.

TITLE I
PROVISIONS CONCERNING THE EUROPEAN PARLIAMENT

ARTICLE 2

In accordance with the second subparagraph of Article 9 A(2) of the Treaty on European Union, the European Council shall adopt a decision determining the composition of the European Parliament in good time before the 2009 European Parliament elections.

Until the end of the 2004-2009 parliamentary term, the composition and the number of representatives elected to the European Parliament shall remain the same as on the date of the entry into force of the Treaty of Lisbon.

TITLE II
PROVISIONS CONCERNING THE QUALIFIED MAJORITY

ARTICLE 3

1. In accordance with Article 9 C(4) of the Treaty on European Union, the provisions of that paragraph and of Article 205(2) of the Treaty on the Functioning of the European Union relating to the definition of the qualified majority in the European Council and the Council shall take effect on 1 November 2014.
2. Between 1 November 2014 and 31 March 2017, when an act is to be adopted by qualified majority, a member of the Council may request that it be adopted in accordance with the qualified majority as defined in paragraph 3. In that case, paragraphs 3 and 4 shall apply.
3. Until 31 October 2014, the following provisions shall remain in force, without prejudice to the second subparagraph of Article 201a(1) of the Treaty on the Functioning of the European Union.

For acts of the European Council and of the Council requiring a qualified majority, members' votes shall be weighted as follows:

Belgium	12
Bulgaria	10
Czech Republic	12
Denmark	7
Germany	29
Estonia	4
Ireland	7
Greece	12
Spain	27
France	29
Italy	29
Cyprus	4
Latvia	4
Lithuania	7
Luxembourg	4
Hungary	12
Malta	3
Netherlands	13
Austria	10
Poland	27
Portugal	12
Romania	14

Slovenia	4
Slovakia	7
Finland	7
Sweden	10
United Kingdom	29

Acts shall be adopted if there are at least 255 votes in favour representing a majority of the members where, under the Treaties, they must be adopted on a proposal from the Commission. In other cases decisions shall be adopted if there are at least 255 votes in favour representing at least two thirds of the members.

A member of the European Council or the Council may request that, where an act is adopted by the European Council or the Council by a qualified majority, a check is made to ensure that the Member States comprising the qualified majority represent at least 62 % of the total population of the Union. If that proves not to be the case, the act shall not be adopted.

4. Until 31 October 2014, the qualified majority shall, in cases where, under the Treaties, not all the members of the Council participate in voting, namely in the cases where reference is made to the qualified majority as defined in Article 205(3) of the Treaty on the Functioning of the European Union, be defined as the same proportion of the weighted votes and the same proportion of the number of the Council members and, if appropriate, the same percentage of the population of the Member States concerned as laid down in paragraph 3 of this Article.

TITLE III PROVISIONS CONCERNING THE CONFIGURATIONS OF THE COUNCIL

ARTICLE 4

Until the entry into force of the decision referred to in the first subparagraph of Article 9 C(6) of the Treaty on European Union, the Council may meet in the configurations laid down in the second and third subparagraphs of that paragraph and in the other configurations on the list established by a decision of the General Affairs Council, acting by a simple majority.

TITLE IV
PROVISIONS CONCERNING THE COMMISSION, INCLUDING THE HIGH
REPRESENTATIVE OF THE UNION FOR FOREIGN AFFAIRS AND SECURITY
POLICY

ARTICLE 5

The members of the Commission in office on the date of entry into force of the Treaty of Lisbon shall remain in office until the end of their term of office. However, on the day of the appointment of the High Representative of the Union for Foreign Affairs and Security Policy, the term of office of the member having the same nationality as the High Representative shall end.

TITLE V
PROVISIONS CONCERNING THE SECRETARY-GENERAL OF THE COUNCIL,
HIGH REPRESENTATIVE FOR THE COMMON FOREIGN AND SECURITY
POLICY, AND THE DEPUTY SECRETARY-GENERAL OF THE COUNCIL

ARTICLE 6

The terms of office of the Secretary-General of the Council, High Representative for the common foreign and security policy, and the Deputy Secretary-General of the Council shall end on the date of entry into force of the Treaty of Lisbon. The Council shall appoint a Secretary-General in conformity with Article 207(2) of the Treaty on the Functioning of the European Union.

TITLE VI
PROVISIONS CONCERNING ADVISORY BODIES

ARTICLE 7

Until entry into force of the decision referred to in Article 258 of the Treaty on the Functioning of the European Union, the allocation of members of the Economic and Social Committee shall be as follows:

Belgium	12	Luxembourg	6
Bulgaria	12	Hungary	12
Czech Republic	12	Malta	5
Denmark	9	Netherlands	12
Germany	24	Austria	12

Estonia	7	Poland	21
Ireland	9	Portugal	12
Greece	12	Romania	15
Spain	21	Slovenia	7
France	24	Slovakia	9
Italy	24	Finland	9
Cyprus	6	Sweden	12
Latvia	7	United Kingdom	24
Lithuania	9		

ARTICLE 8

Until entry into force of the decision referred to in Article 263 of the Treaty on the Functioning of the European Union, the allocation of members of the Committee of the Regions shall be as follows:

Belgium	12	Luxembourg	6
Bulgaria	12	Hungary	12
Czech Republic	12	Malta	5
Denmark	9	Netherlands	12
Germany	24	Austria	12
Estonia	7	Poland	21
Ireland	9	Portugal	12
Greece	12	Romania	15
Spain	21	Slovenia	7
France	24	Slovakia	9
Italy	24	Finland	9
Cyprus	6	Sweden	12
Latvia	7	United Kingdom	24
Lithuania	9		

TITLE VII

TRANSITIONAL PROVISIONS CONCERNING ACTS ADOPTED ON THE BASIS OF TITLES V AND VI OF THE TREATY ON EUROPEAN UNION PRIOR TO THE ENTRY INTO FORCE OF THE TREATY OF LISBON

ARTICLE 9

The legal effects of the acts of the institutions, bodies, offices and agencies of the Union adopted on the basis of the Treaty on European Union prior to the entry into force of the Treaty of Lisbon shall be preserved until those acts are repealed, annulled

or amended in implementation of the Treaties. The same shall apply to agreements concluded between Member States on the basis of the Treaty on European Union.

ARTICLE 10

1. As a transitional measure, and with respect to acts of the Union in the field of police cooperation and judicial cooperation in criminal matters which have been adopted before the entry into force of the Treaty of Lisbon, the powers of the institutions shall be the following at the date of entry into force of that Treaty: the powers of the Commission under Article 226 of the Treaty on the Functioning of the European Union shall not be applicable and the powers of the Court of Justice of the European Union under Title VI of the Treaty on European Union, in the version in force before the entry into force of the Treaty of Lisbon, shall remain the same, including where they have been accepted under Article 35(2) of the said Treaty on European Union.

2. The amendment of an act referred to in paragraph 1 shall entail the applicability of the powers of the institutions referred to in that paragraph as set out in the Treaties with respect to the amended act for those Member States to which that amended act shall apply.

3. In any case, the transitional measure mentioned in paragraph 1 shall cease to have effect five years after the date of entry into force of the Treaty of Lisbon.

4. At the latest six months before the expiry of the transitional period referred to in paragraph 3, the United Kingdom may notify to the Council that it does not accept, with respect to the acts referred to in paragraph 1, the powers of the institutions referred to in paragraph 1 as set out in the Treaties. In case the United Kingdom has made that notification, all acts referred to in paragraph 1 shall cease to apply to it as from the date of expiry of the transitional period referred to in paragraph 3. This subparagraph shall not apply with respect to the amended acts which are applicable to the United Kingdom as referred to in paragraph 2.

The Council, acting by a qualified majority on a proposal from the Commission, shall determine the necessary consequential and transitional arrangements. The United Kingdom shall not participate in the adoption of this decision. A qualified majority of the Council shall be defined in accordance with Article 205(3)(a) of the Treaty on the Functioning of the European Union.

The Council, acting by a qualified majority on a proposal from the Commission, may also adopt a decision determining that the United Kingdom shall bear the direct financial consequences, if any, necessarily and unavoidably incurred as a result of the cessation of its participation in those acts.

5. The United Kingdom may, at any time afterwards, notify the Council of its wish to participate in acts which have ceased to apply to it pursuant to paragraph 4, first subparagraph. In that case, the relevant provisions of the Protocol on the Schengen *acquis* integrated into the framework of the European Union or of the Protocol on the position of the United Kingdom and Ireland in respect of the area of freedom, security and justice, as the case may be, shall apply. The powers of the institutions with regard to those acts shall be those set out in the Treaties. When acting under the relevant Protocols, the Union institutions and the United Kingdom shall seek to re-establish the widest possible measure of participation of the United Kingdom in the *acquis* of the Union in the area of freedom, security and justice without seriously affecting the practical operability of the various parts thereof, while respecting their coherence.

B. PROTOCOLS TO BE ANNEXED TO THE TREATY OF LISBON

PROTOCOL No 1
AMENDING THE PROTOCOLS ANNEXED TO THE TREATY ON EUROPEAN UNION, TO THE TREATY ESTABLISHING THE EUROPEAN COMMUNITY AND/OR TO THE TREATY ESTABLISHING THE EUROPEAN ATOMIC ENERGY COMMUNITY

THE HIGH CONTRACTING PARTIES,

DESIRING to amend the Protocols annexed to the Treaty on European Union, to the Treaty establishing the European Community and/or to the Treaty establishing the European Atomic Energy Community, in order to adapt them to the new rules laid down by the Treaty of Lisbon,

HAVE AGREED UPON the following provisions, which shall be annexed to the Treaty of Lisbon:

ARTICLE 1

1) The protocols in force on the date of entry into force of this Treaty and annexed to the Treaty on European Union, to the Treaty establishing the European Community and/or to the Treaty establishing the European Atomic Energy Community shall be amended in accordance with the provisions of this Article.

A. HORIZONTAL AMENDMENTS

2) The horizontal amendments laid down in Article 2(2) of the Treaty of Lisbon shall apply to the Protocols referred to in this Article, with the exception of points (d), (e) and (j). Where point 5(a) or point 12(a) below specifically provides otherwise, the horizontal amendment laid down in Article 2(2)(b) of that Treaty shall not apply to the Protocol on the Statute of the European System of Central Banks and of the European Central Bank or to the Protocol on the Statute of the European Investment Bank, respectively.

3) In the Protocols referred to in point 1 of this Article:

- (a) the last paragraph of their respective preambles, referring to the Treaty or Treaties to which the Protocol in question is annexed, shall be replaced by "HAVE AGREED UPON the following provisions, which shall be annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union". This subparagraph shall apply neither

to the Protocol on economic and social cohesion nor to the Protocol on the system of public broadcasting in the Member States.

The Protocol on the Statute of the Court of Justice of the European Union, the Protocol on the location of the seats of the institutions and of certain bodies, offices, agencies and departments of the European Union, the Protocol on Article 40.3.3 of the Constitution of Ireland and the Protocol on the privileges and immunities of the European Union shall also be annexed to the Treaty establishing the European Atomic Energy Community;

- (b) the word "Communities" shall be replaced by "Union" and any necessary grammatical changes shall be made .
- 4) In the following Protocols, the words "the Treaty" and "this Treaty" shall be replaced by "the Treaties" and "these Treaties" respectively, and references to the Treaty on European Union and/or to the Treaty establishing the European Community shall be replaced by a reference to the Treaties, and any necessary grammatical changes shall be made:
- (a) Protocol on the Statute of the Court of Justice of the European Union:
 - Article 1 (including the references to the EU and EC Treaty, respectively);
 - (b) Protocol on the Statute of the European System of Central Banks and of the European Central Bank:
 - Article 1.1, new second subparagraph;
 - Article 12.1, first subparagraph;
 - Article 14.1 (second instance);
 - Article 14.2, second subparagraph;
 - Article 34.1, second indent;
 - Article 35.1;
 - (c) Protocol on the excessive deficit procedure:
 - Article 3, second sentence;
 - (d) Protocol on certain provisions relating to Denmark:
 - point 2, renumbered 1, second sentence;
 - (e) Protocol integrating the Schengen *acquis* into the framework of the European Union:

- sixth, renumbered fifth, recital;
- Article 1;
- (f) Protocol on asylum for nationals of Member States of the European Union:
 - sixth, renumbered seventh recital;
- (g) Protocol on the acquisition of property in Denmark:
 - sole provision;
- (h) Protocol on the system of public broadcasting in the Member States:
 - sole provision;
- (i) Protocol on the financial consequences of the expiry of the ECSC Treaty and on the Research Fund for Coal and Steel:
 - Article 3.

5) In the following Protocols and Annexes, references to "this Treaty" and "the Treaty" shall be replaced by references to "the Treaty on the Functioning of the European Union":

- (a) Protocol on the Statute of the European System of Central Banks and of the European Central Bank:

<ul style="list-style-type: none"> - Article 2 - Article 3 - Article 4 - Article 6.3 - Article 7 - Article 9.1 - Article 9.2 - Article 9.3 - Article 11 - Article 14.1 (first instance of "This Treaty") - Article 15 - Article 16 	<ul style="list-style-type: none"> - Article 21 - Article 25 - Article 27 - Article 34.1 (first instance) - Article 35 - Article 41.1 - Article 42 (renumbered 41) - Article 43 (renumbered 42) - Article 44 (renumbered 43) second subparagraph - Article 45 (renumbered 44) - Article 47 (renumbered 46) -
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- (b) Protocol on the excessive deficit procedure:
 - Article 1, introductory phrase;

- (c) Protocol on the convergence criteria referred to in Article 121 of the Treaty establishing the European Community:
 - sole recital
 - Article 1, first sentence;
 - (d) Protocol on certain provisions relating to the United Kingdom of Great Britain and Northern Ireland:
 - paragraph 6, renumbered 5, second subparagraph;
 - paragraph 9, renumbered 8, introductory phrase;
 - paragraph 10, renumbered 9, second sentence of (a);
 - paragraph 11, renumbered 10;
 - (e) Protocol on economic and social cohesion:
 - fifteenth, renumbered eleventh, recital
 - (f) Annexes I and II:
 - titles of both Annexes.
- 6) In the following Protocols, the words "of this Treaty" shall be replaced by "of the said Treaty":
- (a) *(Does not apply to the English version.)*;
 - (b) Protocol on the excessive deficit procedure:
 - Article 2, introductory phrase;
 - (c) Protocol on the convergence criteria referred to in Article 121 of the Treaty establishing the European Community:

- Article 2;	- Article 4, first sentence;
- Article 3;	- Article 6;
 - (d) Protocol on certain provisions relating to the United Kingdom of Great Britain and Northern Ireland:
 - paragraph 7, renumbered 6, second subparagraph;
 - paragraph 10, renumbered 9, point (c).

7) In the following Protocols, the words "acting by a simple majority" shall be inserted after "the Council":

(a) Protocol on the Statute of the Court of Justice of the European Union:

- Article 4, second paragraph;
- Article 13, second paragraph;

(b) Protocol on the privileges and immunities of the European Communities:

- Article 7, renumbered 6, paragraph 1, first subparagraph, first sentence.

8) In the following Protocols, the words "Court of Justice of the European Communities", "Court of Justice" or "Court" shall be replaced by "Court of Justice of the European Union":

(a) Protocol on the Statute of the Court of Justice of the European Union:

- Article 1;
- Article 3, fourth paragraph;
- Article 1 of the Annex;

(b) Protocol on the Statute of the European System of Central Banks and of the European Central Bank:

- Article 35.1, 35.2, 35.4, 35.5 and 35.6;
- Article 36.2;

(c) Protocol on the location of the seats of the institutions and of certain bodies and departments of the European Communities and of Europol:

- Sole Article, point (d);

(d) Protocol on the privileges and immunities of the European Communities:

- Article 12, renumbered 11, point (a);
- Article 21, renumbered 20, first occurrence;

(e) Protocol on the position of the United Kingdom and Ireland:

- Article 2;

(f) Protocol on asylum for nationals of Member States of the European Union:

- second, renumbered third, recital.

B. SPECIFIC AMENDMENTS

PROTOCOLS REPEALED

- 9) The following Protocols shall be repealed:
- (a) Protocol on Italy (1957);
 - (b) Protocol on goods originating in and coming from certain countries and enjoying special treatment when imported into a Member State (1957);
 - (c) Protocol on the Statute of the European Monetary Institute (1992);
 - (d) Protocol on the transition to the third stage of economic and monetary union (1992);
 - (e) Protocol on Portugal (1992);
 - (f) Protocol on the role of national parliaments in the European Union (1997), which shall be replaced by a new Protocol with the same title;
 - (g) Protocol on the application of the principles of subsidiarity and proportionality (1997), which shall be replaced by a new Protocol with the same title;
 - (h) Protocol on protection and welfare of animals (1997), the text of which shall become Article 6b of the Treaty on the Functioning of the European Union;
 - (i) Protocol on the enlargement of the European Union (2001);
 - (j) Protocol on Article 67 of the Treaty establishing the European Community (2001).

STATUTE OF THE COURT OF JUSTICE OF THE EUROPEAN UNION

10) The Protocol on the Statute of the Court of Justice of the European Union shall be amended as follows:

(a) in the preamble, first recital, the reference to the Treaty establishing the European Community shall be replaced by a reference to the Treaty on the Functioning of the European Union. In the rest of the Protocol, the words "of the EC Treaty" shall be replaced by "of the Treaty on the Functioning of the European Union"; throughout the Protocol, references to articles of the EAEC Treaty which are repealed by Protocol No 2 annexed to this Treaty shall be deleted and necessary grammatical changes shall be made;

(b) in the following Articles, the word "Court", where it refers specifically to the Court of Justice, shall be replaced by "Court of Justice":

- Article 3, second paragraph, beginning of the sentence;
- Article 4, fourth paragraph
- Article 5, second paragraph;
- Article 6, first paragraph;
- Articles 10, 11, 12 and 14;
- Article 13, first paragraph, first instance
- Article 15, first sentence;
- Article 16, first paragraph;
- Article 17, first paragraph;
- Article 18, third paragraph;
- Article 19, first paragraph;
- Article 20, first paragraph;
- Article 21, first paragraph;
- Article 22, first paragraph;
- Article 23, first paragraph;
- Article 24, first paragraph, beginning of the sentence;
- Articles 25 and 27;
- Article 29, first paragraph;
- Articles 30 to 32, 35, 38, 41 and 43;
- Article 39, first paragraph
- Article 40, first paragraph
- Article 44, first paragraph, first instance;
- Article 46, first paragraph;
- Article 52: does not apply to the English version;
- Article 54: does not apply to the English version;
- Article 56: does not apply to the English version;
- Article 57: does not apply to the English version;
- Article 58: does not apply to the English version;
- Article 59: does not apply to the English version;
- Article 60: does not apply to the English version;
- Article 61: does not apply to the English version;
- Article 62: does not apply to the English version;
- Article 62a: does not apply to the English version;
- Article 62b: does not apply to the English version;
- Article 63: does not apply to the English version;
- Article 64: does not apply to the English version;
- Article 3(2) of the Annex, second sentence;
- Article 6(1) of the Annex: does not apply to the English version
- Article 8(1) of the Annex: does not apply to the English version

- (c) in Article 2, the words "in open court" shall be replaced by "before the Court of Justice sitting in open court";
- (d) in Article 3, second paragraph, and Article 4, fourth paragraph, the following sentence shall be added: "If the decision concerns a member of the General Court or of a specialised court, the Court shall decide after consulting the court concerned.";
- (e) in Article 6, first paragraph, the following sentence shall be added: "If the person concerned is a member of the General Court or of a specialised court, the Court shall decide after consulting the court concerned.";
- (f) in the heading of Title II, the words "of the Court of Justice" shall be added;
- (g) in Article 13, first paragraph, first sentence, the words "On a proposal from" shall be replaced by "At the request of", and the words "the Council may, acting unanimously, provide for" shall be replaced by "the European Parliament and the Council may, acting in accordance with the ordinary legislative procedure, provide for";
- (h) in the heading of Title III, the words "before the Court of Justice" shall be added;
- (i) Article 23 shall be amended as follows:
 - (i) in the first paragraph, first, sentence, the words "by Article 35(1) of the EU Treaty," shall be deleted. In the second sentence, the words "and also to the Council or to the European Central Bank if the act the validity or interpretation of which is in dispute originates from one of them, and to the European Parliament and the Council if the act the validity or interpretation of which is in dispute was adopted jointly by those two institutions" shall be replaced by "and to the institution, body, office or agency of the Union which adopted the act the validity or interpretation of which is in dispute";
 - (ii) in the second paragraph, the words "and, where appropriate, the European Parliament, the Council and the European Central Bank, shall be entitled" shall be replaced by "and, where appropriate, the institution, body, office or agency which adopted the act the validity or interpretation of which is in dispute, shall be entitled";
- (j) in Article 24, second paragraph, the words ", bodies, offices and agencies" shall be inserted after "institutions";
- (k) in Article 40 the second paragraph shall be replaced by the following:

"The same right shall be open to the bodies, offices and agencies of the Union and to any other person which can establish an interest in the result of a case submitted to the Court of Justice. Natural or legal persons shall not intervene in cases between Member States, between institutions of the Union or between Member States and institutions of the Union.";

- (l) in Article 42, the words ", bodies, offices and agencies" shall be inserted after "institutions";
- (m) in Article 46, the following new paragraph shall be added: "This Article shall also apply to proceedings against the European Central Bank regarding non-contractual liability.";
- (n) the heading of Title IV shall be replaced by "GENERAL COURT";
- (o) in Article 47, the first paragraph shall be replaced by "The first paragraph of Article 9, Articles 14 and 15, the first, second, fourth and fifth paragraphs of Article 17 and Article 18 shall apply to the General Court and its members.";
- (p) in Article 51, first paragraph, in the third indent of point (a), the reference to the third indent of Article 202 shall be replaced by a reference to the second paragraph of Article 249 , and the reference in point (b) to Article 11a shall be replaced by a reference to the first paragraph of Article 280 F. In the second paragraph, the words "or by the European Central Bank" shall be deleted;
- (q) Article 64 shall be amended as follows:
 - (i) the following new first paragraph shall be inserted:

"The rules governing the language arrangements applicable at the Court of Justice of the European Union shall be laid down by a regulation of the Council acting unanimously. This regulation shall be adopted either at the request of the Court of Justice and after consultation of the Commission and the European Parliament, or on a proposal from the Commission and after consultation of the Court of Justice and of the European Parliament.";
 - (ii) in the first sentence of the first paragraph which shall become the second paragraph, the words "Until the rules governing the language arrangements applicable at the Court of Justice and the Court of First Instance have been adopted in this Statute" shall be replaced by "Until those rules have been adopted"; the second sentence shall be replaced by the following: "By way of derogation from Articles 223 and 224 of the Treaty on the Functioning of the European Union, those provisions may only be amended or repealed with the unanimous consent of the Council.";

- (r) in Annex I to the Protocol, Article 3(1), second sentence, the words "Civil Service" shall be inserted before "Tribunal"; in paragraphs 2 and 3, the words "by a qualified majority" shall be deleted;
- (s) *(Does not apply to the English version.)*

STATUTE OF THE ESCB AND OF THE ECB

11) The Protocol on the Statute of the European System of Central Banks and of the European Central Bank shall be amended as follows:

- (a) in the preamble, first recital, the reference to Article 8 of the Treaty establishing the European Community shall be replaced by a reference to the second paragraph of Article 107 of the Treaty on the Functioning of the European Union;
- (b) The title of Chapter I shall be replaced by the following: "THE EUROPEAN SYSTEM OF CENTRAL BANKS";
- (c) Article 1.1 shall be split at the semi-colon into two unnumbered subparagraphs. The first subparagraph shall be replaced by the following: "In accordance with Article 245a(1) of the Treaty on the Functioning of the European Union, the European Central Bank (ECB) and the national central banks shall constitute the European System of Central Banks (ESCB). The ECB and the national central banks of those Member States whose currency is the euro shall constitute the Eurosystem."; at the beginning of the second subparagraph, the words "they shall perform" shall be replaced by "The ESCB and the ECB shall perform";
- (d) Article 1.2 shall be deleted;
- (e) in Article 2, the words "In accordance with Article 105(1) of this Treaty" shall be replaced by "In accordance with Article 105(1) and Article 245a(2) of the Treaty on the Functioning of the European Union";
- (f) in the second indent of Article 3.1, the words "Article 111 of this Treaty" shall be replaced by "Article 188 O of that Treaty";
- (g) in Article 4, point (b), the word "appropriate" shall be deleted;
- (h) at the beginning of Article 9.1, the words "in accordance with Article 107(2) of this Treaty" shall be replaced by "in accordance with Article 245a(3) of the Treaty on the Functioning of the European Union";

- (i) Article 10 shall be amended as follows:
 - (i) in Article 10.1, the words "of the Member States whose currency is the euro" shall be inserted at the end;
 - (ii) in Article 10.2, first indent, at the end of the first sentence, the words "Member States which have adopted the euro" shall be replaced by "Member States whose currency is the euro"; at the end of the third subparagraph, the words "under Articles 10.3, 10.6 and 41.2" shall be replaced by "under Articles 10.3, 40.2 and 40.3";
 - (iii) Article 10.6 shall be deleted;
- (j) in Article 11.2, first subparagraph, the words "shall be appointed from among persons of recognised standing and professional experience in monetary or banking matters by common accord of the governments of the Member States at the level of Heads of State or Government" shall be replaced by "shall be appointed by the European Council, acting by a qualified majority, from among persons of recognised standing and professional experience in monetary or banking matters";
- (k) in Article 14.1, the words ", at the latest at the date of the establishment of the ESCB," shall be deleted;
- (l) in Article 16, first sentence, the word "euro" shall be inserted before "banknotes";
- (m) in Article 18.1, first indent, the words "whether in Community or non-Community currencies" shall be replaced by "whether in euro or other currencies";
- (n) in Article 25.2, the words "any decision of the Council" shall be replaced by "any regulation of the Council";
- (o) in Article 28.1, the words ", which shall become operational upon its establishment," shall be deleted;
- (p) in Article 29.1, the introductory wording shall be replaced by the following: "The key for subscription of the ECB's capital, fixed for the first time in 1998 when the ESCB was established, shall be determined by assigning to each national central bank a weighting in this key equal to the sum of:"; the second subparagraph shall be replaced by the following: "The percentages shall be rounded up or down to the nearest multiple of 0,0001 percentage points.";

- (q) in Article 32.2, the words "Subject to Article 32.3," shall be deleted and in Article 32.3 the words ", after the start of the third stage," shall be replaced by "after the introduction of the euro";
- (r) in Article 34.2, the first four subparagraphs shall be deleted;
- (s) in Article 35.6, the words "the Treaties and" shall be inserted before "this Statute";
- (t) Article 37 shall be repealed and the remaining Articles shall be renumbered accordingly;
- (u) Article 41, renumbered 40, shall be amended as follows:
 - (i) in Article 41.1, renumbered 40.1, the words "may be amended by the Council, acting either by a qualified majority on a recommendation" shall be replaced by "may be amended by the European Parliament and the Council, acting in accordance with the ordinary legislative procedure either on a recommendation", the word "unanimously" shall be deleted, and the last sentence shall be deleted;
 - (ii) the following new Article 40.2 shall be inserted, and the current paragraph 41.2 shall be renumbered 40.3:

"40.2. Article 10.2 may be amended by a decision of the European Council, acting unanimously, either on a recommendation from the European Central Bank and after consulting the European Parliament and the Commission, or on a recommendation from the Commission and after consulting the European Parliament and the European Central Bank. These amendments shall not enter into force until they are approved by the Member States in accordance with their respective constitutional requirements.";
- (v) in Article 42, renumbered 41, the words "immediately after the decision on the date for the beginning of the third stage," shall be deleted and the words "acting by a qualified majority" shall be deleted;
- (w) in Articles 43.1, 43.2 and 43.3, renumbered Articles 42.1, 42.2 and 42.3 respectively, the reference to Article 122 shall be replaced by a reference to Article 116a; in Article 43.3, renumbered 42.3, the reference to Articles 34.2 and 50 shall be deleted and in Article 43.4, renumbered 42.4, the reference to Article 10.1 shall be replaced by a reference to Article 10.2;
- (x) in Article 44, renumbered 43, first paragraph, the words "those tasks of the EMI" shall be replaced by "the former tasks of the EMI referred to in

Article 118a(2) of the Treaty on the Functioning of the European Union" and the words "in the third stage" shall be replaced by "after the introduction of the euro"; in the second paragraph, the reference to Article 122 shall be replaced by a reference to Article 117a;

- (y) in Article 47.3, renumbered 46.3, the words "against the currencies, or the single currency, of the Member States without a derogation," shall be replaced by "against the euro";
- (z) Articles 50 and 51 shall be repealed and the remaining Articles shall be renumbered accordingly;
- (aa) in Article 52, renumbered 49, in the title of the Article, the words "in Community currencies" shall be replaced by "in the currencies of the Member States"; the words "in accordance with Article 117a(3) of the Treaty on the Functioning of the European Union" shall be inserted after the words "Following the irrevocable fixing of exchange rates".
- (ab) *(Does not apply to the English version.)*

STATUTE OF THE EIB

12) The Protocol on the Statute of the European Investment Bank shall be amended as follows:

- (a) throughout the Protocol, references to an Article of "the Treaty" shall be replaced by references to an Article of "the Treaty on the Functioning of the European Union" and references to "this Treaty" shall be replaced by references to an Article of "the Treaty on the Functioning of the European Union" in Article 1 (first occurrence), Article 3, Article 18 (renumbered 16), Article 19 (renumbered 17), and Article 25 (renumbered 23);
- (b) at the end of the preamble, the words "to this Treaty" shall be replaced by "to the Treaty on European Union and to the Treaty on the Functioning of the European Union";
- (c) in the first paragraph of Article 1, the words "of this Treaty" shall be replaced by "of the Treaties", and the second paragraph shall be deleted;
- (d) in Article 3, the introductory phrase shall be replaced by "In accordance with Article 266 of the Treaty on the Functioning of the European Union, the Bank's members shall be the Member States" and the list of States shall be deleted;

- (e) in Article 4(1), the figure for the capital of the Bank shall be replaced by "EUR 164 808 169 000", the figures for the following Member States shall read as follows and the second subparagraph shall be deleted;

Poland 3 411 263 500	Bulgaria 290 917 500
Czech Republic 1 258 785 500	Lithuania 249 617 500
Hungary 1 190 868 500	Cyprus 183 382 000
Romania 863 514 500	Latvia 152 335 000
Slovakia 428 490 500	Estonia 117 640 000
Slovenia 397 815 000	Malta 69 804 000

- (f) Article 5 shall be amended as follows:
- (i) in paragraph 2, the following new sentence shall be added: "Cash payments shall be made exclusively in euro.";
 - (ii) in paragraph 3, first subparagraph, the words "towards those who have made loans to it" shall be deleted, and in the second subparagraph the words "in the currencies required by the Bank to meet these obligations" shall be deleted;
- (g) Articles 6 and 7 shall be repealed and the remaining Articles shall be renumbered accordingly;
- (h) Article 9, renumbered 7, shall be amended as follows:
- (i) in paragraph 2, the words "with particular reference to the objectives to be pursued as progress is made in the attainment of the common market" shall be replaced by "in accordance with the Union's objectives";
 - (ii) in paragraph 3, the text of point (b) shall be replaced by "(b) for the purposes of Article 9(1), determine the principles applicable to financing operations undertaken within the framework of the Bank's task;", the text of point (d) shall be replaced by "take decisions in respect of the granting of finance for investment operations to be carried out, in whole or in part, outside the territories of the Member States in accordance with Article 16(1);" and, in point (g), the word "other" shall be inserted before "powers" and the words "provided in

Articles 4, 7, 14, 17, 26 and 27" shall be replaced by "conferred by this Statute";

(i) Article 10, renumbered 8, shall be amended as follows:

(i) the third sentence shall be deleted;

(ii) the following two new paragraphs shall be inserted:

"A qualified majority shall require eighteen votes in favour and 68 % of the subscribed capital.

Abstentions by members present in person or represented shall not prevent the adoption of decisions requiring unanimity."

(j) Article 11, renumbered 9, shall be amended as follows:

(i) paragraph 1, first subparagraph, shall be replaced by the following:

"1. The Board of Directors shall take decisions in respect of granting finance, in particular in the form of loans and guarantees, and raising loans; it shall fix the interest rates on loans granted and the commission and other charges. It may, on the basis of a decision taken by a qualified majority, delegate some of its functions to the Management Committee. It shall determine the terms and conditions for such delegation and shall supervise its execution.

The Board of Directors shall see that the Bank is properly run; it shall ensure that the Bank is managed in accordance with the provisions of the Treaties and of this Statute and with the general directives laid down by the Board of Governors.";

(ii) in paragraph 2, the sixth subparagraph shall be replaced by the following:

"The Rules of Procedure shall lay down the arrangements for participating in the meetings of the Board of Directors and the provisions applicable to alternates and co-opted experts."

(iii) in paragraph 5, second sentence, the words ", acting unanimously," shall be deleted.

(k) Article 13, renumbered 11, shall be amended as follows:

- (i) in paragraph 3, second subparagraph, the words "the granting of loans" shall be replaced by "the granting of finance, in particular in the form of loans";
 - (ii) in paragraph 4, the words "on proposals for raising loans or granting loans and guarantees" shall be replaced by "on proposals for raising loans or granting finance, in particular in the form of loans and guarantees";
 - (iii) in paragraph 7, first sentence, the words "officials and other employees" shall be replaced by "staff". The following sentence shall be added at the end: "The Rules of Procedure shall determine which organ is competent to adopt the provisions applicable to staff.";
- (l) Article 14, renumbered 12, shall be amended as follows:
- (i) in paragraph 1, the words "three members" shall be replaced by "six members" and the words "shall annually verify that the operations of the Bank have been conducted and its books kept in a proper manner" shall be replaced by "shall verify that the activities of the Bank conform to best banking practice and shall be responsible for the auditing of its accounts";
 - (ii) paragraph 2 shall be replaced by the following three new paragraphs:

"2. The Committee referred to in paragraph 1 shall annually ascertain that the operations of the Bank have been conducted and its books kept in a proper manner. To this end, it shall verify that the Bank's operations have been carried out in compliance with the formalities and procedures laid down by this Statute and the Rules of Procedure.

3. The Committee referred to in paragraph 1 shall confirm that the financial statements, as well as any other financial information contained in the annual accounts drawn up by the Board of Directors, give a true and fair view of the financial position of the Bank in respect of its assets and liabilities, and of the results of its operations and its cash flows for the financial year under review.

4. The Rules of Procedure shall specify the qualifications required of the members of the Committee and lay down the terms and conditions for the Committee's activity."
- (m) in Article 15, renumbered 13, the words "the bank of issue" shall be replaced by "the national central bank";

- (n) Article 18, renumbered 16, shall be amended as follows:
- (i) in the first subparagraph of paragraph 1, the words "shall grant loans" shall be replaced by "shall grant finance, in particular in the form of loans and guarantees", the words "investment projects" shall be replaced by "investments" and the word "European" shall be deleted; in the second subparagraph, the words "by way of derogation authorised by the Board of Governors, acting unanimously" shall be replaced by "by decision of the Board of Governors, acting by a qualified majority", the words "loans for investment projects" shall be replaced by "financing for investment" and the word "European" shall be deleted;
 - (ii) in paragraph 3, the words "the project" shall be replaced by "the investment", the following shall be added at the end of the sentence: ", or on the financial strength of the debtor" and the following new second subparagraph shall be added:

"Furthermore, in accordance with the principles established by the Board of Governors pursuant to Article 7(3)(b), and where the implementation of projects provided for in Article 267 of the Treaty on the Functioning of the European Union so requires, the Board of Directors shall, acting by a qualified majority, lay down the terms and conditions of any financing operation presenting a specific risk profile and thus considered to be a special activity."

- (iii) paragraph 5 shall be replaced by the following:

"5. The aggregate amount outstanding at any time of loans and guarantees granted by the Bank shall not exceed 250 % of its subscribed capital, reserves, non-allocated provisions and profit and loss account surplus. The latter aggregate amount shall be reduced by an amount equal to the amount subscribed (whether or not paid in) for any equity participation of the Bank.

The amount of the Bank's disbursed equity participations shall not exceed at any time an amount corresponding to the total of its paid-in subscribed capital, reserves, non-allocated provisions and profit and loss account surplus.

By way of exception, the special activities of the Bank, as decided by the Board of Governors and the Board of Directors in accordance with paragraph 3, will have a specific allocation of reserve.

This paragraph shall also apply to the consolidated accounts of the Bank."

- (o) in paragraph 1 of Article 19, renumbered 17, the words "commission on guarantees" shall be replaced by "commission and other charges" and the words "and risks" shall be inserted after "to cover its expenses"; in paragraph 2, the words "the project" shall be replaced by "the investment";
- (p) Article 20, renumbered 18, shall be amended as follows:
 - (i) in the introductory phrase, the words "loan and guarantee operations" shall be replaced by "financing operations";
 - (ii) in paragraph 1, point (a), the words "projects carried out by" shall be replaced by "investments by", the words "in other cases" shall be replaced by "in the case of other investments" and the words "in which the project is carried out" shall be replaced by "in which the investment is made"; in point (b), the words "of the project" shall be replaced by "of the investment";
 - (iii) in paragraph 2, the following new second subparagraph shall be added:

"However, in accordance with the principles determined by the Board of Governors pursuant to Article 7(3)(b), and where the implementation of operations provided for in Article 267 of the Treaty on the Functioning of the European Union so requires, the Board of Directors shall, acting by a qualified majority, lay down the terms and conditions for taking an equity participation in a commercial undertaking, normally as a complement to a loan or a guarantee, insofar as this is required to finance an investment or programme.";
 - (iv) in paragraph 6, the words "any project" shall be replaced by "any investment";
 - (v) the following new paragraph 7 shall be added:

"7. As a complement to its lending activity, the Bank may provide technical assistance services in accordance with the terms and conditions laid down by the Board of Governors, acting by a qualified majority, and in compliance with this Statute."
- (q) Article 21, renumbered 19, shall be amended as follows:

- (i) paragraph 1 shall be replaced by the following:

"1. Any undertaking or public or private entity may apply directly to the Bank for financing. Applications to the Bank may also be made either through the Commission or through the Member State on whose territory the investment will be carried out.";

- (ii) in paragraph 2, the words "the project" shall be replaced by "the investment";

- (iii) in paragraph 3 and in the first sentence of paragraph 4, the words "applications for loans or guarantees" shall be replaced by "financing operations";

- (iv) in paragraph 4, the reference in the first sentence to Article 20 shall be replaced by a reference to Articles 18 and 20, renumbered 16 and 18 respectively; in the second sentence, the words "granting the loan or guarantee" shall be replaced by "the financing operation" and the words "draft contract" shall be replaced by "corresponding proposal"; in the last sentence, the words "loan or guarantee" shall be replaced by "finance";

- (v) in paragraphs 5, 6 and 7, the words "loan or guarantee" shall be replaced by "finance";

- (vi) the following new paragraph 8 shall be added:

"8. In the event that a financing operation relating to an approved investment has to be restructured in order to safeguard the Bank's rights and interests, the Management Committee shall take without delay the emergency measures which it deems necessary, subject to immediate reporting thereon to the Board of Directors."

- (r) in Article 22, renumbered 20, the word "international" shall be deleted from paragraph 1 and paragraph 2 shall be replaced by the following:

"2. The Bank may borrow on the capital markets of the Member States in accordance with the legal provisions applying to those markets.

The competent authorities of a Member State with a derogation within the meaning of Article 116a(1) of the Treaty on the Functioning of the European Union may oppose this only if there is reason to fear serious disturbances on the capital market of that State.";

- (s) in paragraph 1(b) of Article 23, renumbered 21, the words "issued by itself or by those who have borrowed from it" shall be deleted and in paragraph 3 the words "the bank of issue" shall be replaced by "the national central bank";
- (t) in Article 25, renumbered 23, the words "a Member State whose currency is not the euro" shall be inserted to replace "one Member State" in paragraph 1, first sentence, and to replace "a Member State" in paragraph 2; in paragraph 1, first sentence, the words "into the currency of another Member State" shall be deleted, in paragraph 3 the words "in gold or convertible currency" shall be deleted and in paragraph 4 the word "projects" shall be replaced by "investment";
- (u) in Article 26, renumbered 24, the words ", to grant its special loans" shall be deleted;
- (v) in paragraph 2 of Article 27, renumbered 25, the following sentence shall be added at the end: "It shall ensure that the rights of the members of staff are safeguarded.";
- (w) in the first paragraph of Article 29, renumbered 27, the words "of the European Union" shall be added at the end and the following sentence shall be added: "The Bank may provide for arbitration in any contract."; in the second paragraph the words "or provide for arbitration" shall be deleted;
- (x) Article 30, renumbered 28, shall be replaced by the following:

"ARTICLE 28

1. The Board of Governors may, acting unanimously, decide to establish subsidiaries or other entities, which shall have legal personality and financial autonomy.
2. The Board of Governors shall establish the Statutes of the bodies referred to in paragraph 1. The Statutes shall define, in particular, their objectives, structure, capital, membership, the location of their seat, their financial resources, means of intervention and auditing arrangements, as well as their relationship with the organs of the Bank.
3. The Bank shall be entitled to participate in the management of these bodies and contribute to their subscribed capital up to the amount determined by the Board of Governors, acting unanimously.
4. The Protocol on the privileges and immunities of the European Union shall apply to the bodies referred to in paragraph 1 insofar as they are incorporated under Union

law, to the members of their organs in the performance of their duties as such and to their staff, under the same terms and conditions as those applicable to the Bank.

Those dividends, capital gains or other forms of revenue stemming from such bodies to which the members, other than the European Union and the Bank, are entitled, shall however remain subject to the fiscal provisions of the applicable legislation.

5. The Court of Justice of the European Union shall, within the limits hereinafter laid down, have jurisdiction in disputes concerning measures adopted by organs of a body incorporated under Union law. Proceedings against such measures may be instituted by any member of such a body in its capacity as such or by Member States under the conditions laid down in Article 230 of the Treaty on the Functioning of the European Union.

6. The Board of Governors may, acting unanimously, decide to admit the staff of bodies incorporated under Union law to joint schemes with the Bank, in compliance with the respective internal procedures."

PROTOCOL ON THE LOCATION OF SEATS

13) The Protocol on the location of the seats of the institutions and of certain bodies and departments of the European Communities and of Europol shall be amended as follows:

- (a) in the title of the Protocol, and in the preamble, the words ", offices, agencies" shall be inserted before "and departments"; in the title of the Protocol words "and of Europol" shall be deleted;
- (b) in the first citation in the preamble, the reference to the Treaty establishing the European Community shall be replaced by a reference to the Treaty on the Functioning of the European Union and the reference to Article 77 of the Treaty establishing the European Coal and Steel Community shall be deleted; the second citation shall be deleted;
- (c) in point (d), the reference to the Court of First Instance shall be deleted and the words "their seat" shall be replaced by "its seat";
- (d) in point (i), the reference to the European Monetary Institute shall be deleted and the words "their seat" shall be replaced by "its seat".

PROTOCOL ON THE PRIVILEGES AND IMMUNITIES OF THE UNION

14) The Protocol on the privileges and immunities of the European Communities shall be amended as follows:

- (a) in the first recital in the preamble, the reference to Article 28 of the Treaty establishing a Single Council and a Single Commission of the European Communities shall be replaced by a reference to Article 291 of the Treaty on the Functioning of the European Union and to Article 191 of the Treaty establishing the European Atomic Energy Community, abbreviated as the EAEC, and the words "these Communities and the European Investment Bank" shall be replaced by "the European Union and the EAEC";
- (b) Article 5 shall be repealed and the remaining Articles shall be renumbered accordingly;
- (c) In Article 7, renumbered 6, paragraph 2 shall be deleted and paragraph 1 shall not be numbered;
- (d) in Article 13, renumbered 12, the words "in accordance with the conditions and procedure laid down by the Council, acting on a proposal from the Commission" shall be replaced by "in accordance with the conditions and procedure laid down by the European Parliament and the Council, acting by means of regulations in accordance with the ordinary legislative procedure and after consultation of the institutions concerned";
- (e) in Article 15, renumbered 14, the opening words "The Council shall, acting unanimously on a proposal from the Commission, lay down" shall be replaced by "The European Parliament and the Council, acting by means of regulations in accordance with the ordinary legislative procedure and after consultation of the institutions concerned, shall lay down";
- (f) in Article 16, renumbered 15, the opening words "The Council shall, acting on a proposal from the Commission and after consulting the other institutions concerned," shall be replaced by "The European Parliament and the Council, acting by means of regulations in accordance with the ordinary legislative procedure, and after consulting the other institutions concerned, shall";
- (fa) in Article 20, renumbered 19, the words "to Members of the Commission" shall be replaced by "to the President of the European Council", and the following subparagraph shall be added:

"They shall also apply to Members of the Commission";
- (g) in Article 21, renumbered 20, the words "and to the Members and Registrar of the Court of First Instance" shall be deleted;
- (h) in Article 23, renumbered 22, the last paragraph shall be deleted;

- (i) after the closing formula, "IN WITNESS WHEREOF, the undersigned Plenipotentiaries have signed this Protocol", the date and the list of signatories shall be deleted.

PROTOCOL ON THE CONVERGENCE CRITERIA

15) The Protocol on the convergence criteria referred to in Article 121 of the Treaty establishing the European Community shall be amended as follows:

- (a) in the title of the Protocol, the words "referred to in Article 121 of the Treaty establishing the European Community" shall be deleted;
- (b) in the first recital, the words "in taking decisions on the passage to the third stage of economic and monetary union, referred to in Article 121(1) of this Treaty" shall be replaced by "in taking decisions to end the derogations of those Member States with a derogation referred to in Article 117a of the Treaty on the Functioning of the European Union";
- (c) in Article 3, second sentence, the words "against another Member State's currency" shall be replaced by "against the euro";
- (d) in Article 6, the words "the EMI or the ECB as the case may be," shall be replaced by the "the ECB";
- (e) *(Does not apply to the English version.)*

PROTOCOL ON CERTAIN PROVISIONS RELATING TO THE UNITED KINGDOM

16) The Protocol on certain provisions relating to the United Kingdom of Great Britain and Northern Ireland shall be amended as follows:

- (a) throughout the Protocol, the words "to move to the third stage of economic and monetary union" and "to move to the third stage" shall be replaced by "to adopt the euro"; the words "moves to the third stage" shall be replaced by "adopts the euro"; the words "in the third stage" shall be replaced by "after the introduction of the euro";
- (b) in the preamble, the following new second recital shall be inserted:

"GIVEN that on 16 October 1996 and 30 October 1997 the United Kingdom government notified the Council of its intention not to participate in the third stage of economic and monetary union,";

- (c) in paragraph 1, the first and third subparagraphs shall be deleted;
- (d) paragraph 2 shall be replaced by the following:

"2. In view of the notice given to the Council by the United Kingdom government on 16 October 1996 and 30 October 1997, paragraphs 3 to 8 and 10 shall apply to the United Kingdom.";
- (e) paragraph 3 shall be deleted and the remaining paragraphs shall be renumbered accordingly;
- (f) paragraph 5, renumbered 4, shall be amended as follows:
 - (i) in the first sentence, the list of Articles shall be replaced by "Articles 245a(2), with the exception of the first and last sentences thereof, 245a(5), 97b, second paragraph, 104(1), (9) and (11), 105(1) to (5), 106, 108, 109, 110 and 111a, 115 C, 117a(3), 188 O and 245b of the Treaty on the Functioning of the European Union";
 - (ii) the following new second sentence shall be inserted: "The same applies to Article 99(2) of this Treaty as regards the adoption of the parts of the broad economic policy guidelines which concern the euro area generally.";
- (g) in paragraph 6, renumbered 5, the following new first subparagraph shall be inserted: "The United Kingdom shall endeavour to avoid an excessive government deficit.", and at the beginning of the following subparagraph, the words "116(4) and" shall be deleted;
- (h) the first subparagraph of paragraph 7, renumbered 6, shall be replaced by the following: "6. The voting rights of the United Kingdom shall be suspended in respect of acts of the Council referred to in the Articles listed in paragraph 4 and in the instances referred to in the first subparagraph of Article 116a(4) of the Treaty on the Functioning of the European Union. For this purpose the second subparagraph of Article 116a(4) of the Treaty shall apply." In the second subparagraph, the words "Articles 112(2)b and 123(1)" shall be replaced by "Article 245b(2)b";
- (i) in point (a) of paragraph 9, renumbered 8, the words "move to that stage" shall be replaced by "adopt the euro";
- (j) in paragraph 10, renumbered 9, the introductory subparagraph shall be replaced by "The United Kingdom may notify the Council at any time of

its intention to adopt the euro. In that event:" In point (a), the reference to Article 122(2) shall be replaced by a reference to Article 117a(1) and (2);

- (k) in paragraph 11, renumbered 10, the words "Articles 101 and 116(3)" shall be replaced by "Article 101", and the words "does not move to the third stage" shall be replaced by "does not adopt the euro".

PROTOCOL ON CERTAIN PROVISIONS RELATING TO DENMARK

17) The Protocol on certain provisions relating to Denmark shall be amended as follows:

- (a) in the preamble, the first recital shall be deleted, in the second recital, which shall become the first recital, the words "Danish participation in the third stage of economic and monetary union" shall be replaced by "Denmark renouncing its exemption", and the following new second recital shall be inserted: "GIVEN THAT, on 3 November 1993, the Danish Government notified the Council of its intention not to participate in the third stage of economic and monetary union,";
- (b) points 1 and 3 shall be deleted and the remaining points shall be renumbered accordingly;
- (c) in point 2, renumbered 1, the first sentence shall be replaced by "In view of the notice given to the Council by the Danish Government on 3 November 1993, Denmark shall have an exemption."
- (d) in point 4, renumbered 2, the reference to Article 122(2) shall be replaced by a reference to Article 117a of the Treaty on the Functioning of the European Union.

SCHENGEN PROTOCOL

18) The Protocol integrating the Schengen *acquis* into the framework of the European Union shall be amended as follows:

- (a) in the title of the Protocol, the words "integrating the Schengen *acquis* into" shall be replaced by "on the Schengen *acquis* integrated into";
- (b) the preamble shall be amended as follows:
 - (i) at the end of the first recital, the words "are aimed at enhancing European integration and, in particular, at enabling the European

Union to develop more rapidly into an area of freedom, security and justice;" shall be replaced by "have been integrated into the framework of the European Union by the Treaty of Amsterdam of 2 October 1997;"

- (ii) the second recital shall be replaced by the following: "DESIRING to preserve the Schengen *acquis*, as developed since the entry into force of the Treaty of Amsterdam, and to develop this *acquis* in order to contribute towards achieving the objective of offering citizens of the Union an area of freedom, security and justice without internal borders;"
 - (iii) the third recital shall be deleted;
 - (iv) in the fifth recital, which shall become the fourth recital, the words "are not parties to and have not signed the aforementioned agreements" shall be replaced by "do not participate in all the provisions of the Schengen *acquis*" and, at the end, the words "to accept some or all of the provisions thereof" shall be replaced by "to accept other provisions of this *acquis* in full or in part";
 - (v) at the end of the sixth recital, which shall become the fifth recital, the words "and that those provisions should only be used as a last resort" shall be deleted;
 - (vi) at the end of the seventh recital, which shall become the sixth recital, the words "both States having confirmed their intention to become bound by the provisions mentioned above, on the basis of the Agreement signed in Luxembourg on 19 December 1996" shall be replaced by "both States being bound by the provisions of the Nordic passport union, together with the Nordic States which are members of the European Union";
- (c) in Article 1, the first sentence shall be replaced by the following:

"The Kingdom of Belgium, the Republic of Bulgaria, the Czech Republic, the Kingdom of Denmark, the Federal Republic of Germany, the Republic of Estonia, the Hellenic Republic, the Kingdom of Spain, the French Republic, the Italian Republic, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Grand Duchy of Luxembourg, the Republic of Hungary, the Republic of Malta, the Kingdom of the Netherlands, the Republic of Austria, the Republic of Poland, the Portuguese Republic, Romania, the Republic of Slovenia, the Slovak Republic, the Republic of Finland and the Kingdom of Sweden shall be authorised to establish closer cooperation among themselves in areas

covered by provisions defined by the Council which constitute the Schengen *acquis*.";

- (d) Article 2 shall be replaced by the following:

"ARTICLE 2

The Schengen *acquis* shall apply to the Member States referred to in Article 1, without prejudice to Article 3 of the Act of Accession of 16 April 2003 or to Article 4 of the Act of Accession of 25 April 2005. The Council will substitute itself for the Executive Committee established by the Schengen agreements.";

- (e) Article 3 shall be replaced by the following:

"ARTICLE 3

The participation of Denmark in the adoption of measures constituting a development of the Schengen *acquis*, as well as the implementation of these measures and their application to Denmark, shall be governed by the relevant provisions of the Protocol on the position of Denmark.";

- (f) in Article 4, first paragraph, the words "which are not bound by the Schengen *acquis*," shall be deleted, and the words "of this *acquis*" shall be replaced by "of the Schengen *acquis*";

- (g) Article 5 shall be replaced by the following:

"ARTICLE 5

1. Proposals and initiatives to build upon the Schengen *acquis* shall be subject to the relevant provisions of the Treaties.

In this context, where either Ireland or the United Kingdom has not notified the Council in writing within a reasonable period that it wishes to take part, the authorisation referred to in Article 280 D of the Treaty on the Functioning of the European Union shall be deemed to have been granted to the Member States referred to in Article 1 and to Ireland or the United Kingdom where either of them wishes to take part in the areas of cooperation in question.

2. Where either Ireland or the United Kingdom is deemed to have given notification pursuant to a decision under Article 4, it may nevertheless notify the Council in writing, within 3 months, that it does not wish to take part in such a proposal or initiative. In that case, Ireland or the United

Kingdom shall not take part in its adoption. As from the latter notification, the procedure for adopting the measure building upon the Schengen *acquis* shall be suspended until the end of the procedure set out in paragraphs 3 or 4 or until the notification is withdrawn at any moment during that procedure.

3. For the Member State having made the notification referred to in paragraph 2, any decision taken by the Council pursuant to Article 4 shall, as from the date of entry into force of the proposed measure, cease to apply to the extent considered necessary by the Council and under the conditions to be determined in a decision of the Council acting by a qualified majority on a proposal from the Commission. That decision shall be taken in accordance with the following criteria: the Council shall seek to retain the widest possible measure of participation of the Member State concerned without seriously affecting the practical operability of the various parts of the Schengen *acquis*, while respecting their coherence. The Commission shall submit its proposal as soon as possible after the notification referred to in paragraph 2. The Council shall, if needed after convening two successive meetings, act within four months of the Commission proposal.

4. If, by the end of the period of four months, the Council has not adopted a decision, a Member State may, without delay, request that the matter be referred to the European Council. In that case, the European Council shall, at its next meeting, acting by a qualified majority on a proposal from the Commission, take a decision in accordance with the criteria referred to in paragraph 3.

5. If, by the end of the procedure set out in paragraphs 3 or 4, the Council or, as the case may be, the European Council has not adopted its decision, the suspension of the procedure for adopting the measure building upon the Schengen *acquis* shall be terminated. If the said measure is subsequently adopted any decision taken by the Council pursuant to Article 4 shall, as from the date of entry into force of that measure, cease to apply for the Member State concerned to the extent and under the conditions decided by the Commission, unless the said Member State has withdrawn its notification referred to in paragraph 2 before the adoption of the measure. The Commission shall act by the date of this adoption. When taking its decision, the Commission shall respect the criteria referred to in paragraph 3.";

- (h) at the end of the first sentence of the first paragraph of Article 6, the words "on the basis of the Agreement signed in Luxembourg on 19 December 1996" shall be deleted;
- (i) Article 7 shall be repealed and Article 8 shall be renumbered 7;

- (j) the Annex shall be repealed.

PROTOCOL ON THE APPLICATION OF ARTICLE 22A TO THE UNITED KINGDOM AND TO IRELAND

19) The Protocol on the application of certain aspects of Article 14 of the Treaty establishing the European Community to the United Kingdom and to Ireland shall be amended as follows:

- (a) in the title of the Protocol, the reference to the Treaty establishing the European Community shall be replaced by a reference to the Treaty on the Functioning of the European Union;
- (b) in Article 1, first paragraph, point (a), the words "States which are Contracting Parties to the Agreement on the European Economic Area" shall be replaced by "Member States";
- (c) in Article 1, first and second paragraphs, in Article 2 and in Article 3, second paragraph, the reference to Article 14 shall be replaced by a reference to Articles 22a and 62 of the Treaty on the Functioning of the European Union.

PROTOCOL ON THE POSITION OF THE UNITED KINGDOM AND IRELAND IN RESPECT OF THE AREA OF FREEDOM, SECURITY AND JUSTICE

20) The Protocol on the position of the United Kingdom and Ireland shall be amended as follows:

- (a) at the end of the title of the Protocol, the words "in respect of the area of freedom, security and justice" shall be added;
- (b) in the second recital of the preamble, the reference to the Treaty establishing the European Community shall be replaced by a reference to the Treaty on the Functioning of the European Union;
- (c) in Article 1, first sentence, the words "pursuant to Title IV of the Treaty establishing the European Community" shall be replaced by "pursuant to Title IV of Part Three of the Treaty on the Functioning of the European Union"; the second sentence shall be deleted and the following paragraph shall be added:

"For the purposes of this Article, a qualified majority shall be defined in accordance with Article 205(3) of the Treaty on the Functioning of the European Union.";

- (d) at the beginning of Article 2 the words "provisions of Title IV of the Treaty establishing the European Community" shall be replaced by "provisions of Title IV of Part Three of the Treaty on the Functioning of the European Union"; at the end of the Article, the words "*acquis communautaire*" shall be replaced by "Community or Union *acquis*";
- (e) Article 3(1) shall be amended as follows:
- (i) in the first sentence of the first subparagraph, the words "pursuant to Title IV of the Treaty establishing the European Community" shall be replaced by "pursuant to Title IV of Part Three of the Treaty on the Functioning of the European Union" and the second sentence shall be deleted;
- (ii) the following new subparagraphs shall be added after the second subparagraph:
- "Measures adopted pursuant to Article 61 C of the Treaty on the Functioning of the European Union shall lay down the conditions for the participation of the United Kingdom and Ireland in the evaluations concerning the areas covered by Title IV of Part Three of that Treaty.
- For the purposes of this Article, a qualified majority shall be defined in accordance with Article 205(3) of the Treaty on the Functioning of the European Union.";
- (f) in Articles 4, 5 and 6, the words "Title IV of the Treaty establishing the European Community" shall be replaced by "Title IV of Part Three of the Treaty on the Functioning of the European Union";
- (g) in the second sentence of Article 4, the reference to Article 11(3) shall be replaced by a reference to Article 280 F(1) of the Treaty on the Functioning of the European Union;
- (h) the following new Article 4a shall be inserted:

"ARTICLE 4a

1. The provisions of this Protocol apply for the United Kingdom and Ireland also to measures proposed or adopted pursuant to Title IV of Part Three of the Treaty on the Functioning of the European Union amending an existing measure by which they are bound.

2. However, in cases where the Council, acting on a proposal from the Commission, determines that the non-participation of the United Kingdom or Ireland in the amended version of an existing measure makes the application of that measure inoperable for other Member States or the Union, it may urge them to make a notification under Article 3 or 4. For the purposes of Article 3 a further period of two months starts to run as from the date of such determination by the Council.

If at the expiry of that period of two months from the Council's determination the United Kingdom or Ireland has not made a notification under Article 3 or Article 4, the existing measure shall no longer be binding upon or applicable to it, unless the Member State concerned has made a notification under Article 4 before the entry into force of the amending measure. This shall take effect from the date of entry into force of the amending measure or of expiry of the period of two months, whichever is the later.

For the purpose of this paragraph, the Council shall, after a full discussion of the matter, act by a qualified majority of its members representing the Member States participating or having participated in the adoption of the amending measure. A qualified majority of the Council shall be defined in accordance with Article 205(3)(a) of the Treaty on the Functioning of the European Union.

3. The Council, acting by a qualified majority on a proposal from the Commission, may determine that the United Kingdom or Ireland shall bear the direct financial consequences, if any, necessarily and unavoidably incurred as a result of the cessation of its participation in the existing measure.

4. This Article shall be without prejudice to Article 4.";

- (i) at the end of Article 5, the following shall be added: ", unless all members of the Council, acting unanimously after consulting the European Parliament, decide otherwise";
- (j) In Article 6, the words "the relevant provisions of that Treaty, including Article 68," shall be replaced by "the relevant provisions of the Treaties";
- (k) the following new Article 6a shall be inserted:

"ARTICLE 6a

The United Kingdom and Ireland shall not be bound by the rules laid down on the basis of Article 16 B of the Treaty on the Functioning of the

European Union which relate to the processing of personal data by the Member States when carrying out activities which fall within the scope of Chapter 4 or Chapter 5 of Title IV of Part Three of that Treaty where the United Kingdom and Ireland are not bound by the rules governing the forms of judicial cooperation in criminal matters or police cooperation which require compliance with the provisions laid down on the basis of Article 16 B.";

- (l) in Article 7, the words "Articles 3 and 4" shall be replaced by "Articles 3, 4 and 4a" and the words "Protocol integrating the Schengen *acquis* into" shall be replaced by "Protocol on the Schengen *acquis* integrated into";
- (m) in Article 8, the words "the President of" shall be deleted.;
- (n) the following new Article 9 shall be added:

"ARTICLE 9

With regard to Ireland, this Protocol shall not apply to Article 61 H of the Treaty on the Functioning of the European Union."

PROTOCOL ON THE POSITION OF DENMARK

21) The Protocol on the position of Denmark shall be amended as follows:

(a) the preamble shall be amended as follows:

(i) the following three new recitals shall be inserted after the second recital:

"CONSCIOUS of the fact that a continuation under the Treaties of the legal regime originating in the Edinburgh decision will significantly limit Denmark's participation in important areas of cooperation of the Union, and that it would be in the best interest of the Union to ensure the integrity of the *acquis* in the area of freedom, security and justice;

WISHING therefore to establish a legal framework that will provide an option for Denmark to participate in the adoption of measures proposed on the basis of Title IV of Part Three of the Treaty on the Functioning of the European Union and welcoming the intention of Denmark to avail itself of this option when possible in accordance with its constitutional requirements;

NOTING that Denmark will not prevent the other Member States from further developing their cooperation with respect to measures not binding on Denmark;"

(ii) in the penultimate recital, the words "Protocol integrating the Schengen *acquis* into" shall be replaced by "Protocol on the Schengen *acquis* integrated into";

(b) in Article 1, first paragraph, first sentence, the words "Title IV of the Treaty establishing the European Community" shall be replaced by "Title IV of Part Three of the Treaty on the Functioning of the European Union";

(c) in Article 1, the second sentence of the first paragraph shall be deleted and the following new paragraph shall be added:

"For the purposes of this Article, a qualified majority shall be defined in accordance with Article 205(3) of the Treaty on the Functioning of the European Union.";

(d) Article 2 shall be replaced by the following:

"ARTICLE 2

None of the provisions of Title IV of Part Three of the Treaty on the Functioning of the European Union, no measure adopted pursuant to that Title, no provision of any international agreement concluded by the Union pursuant to that Title, and no decision of the Court of Justice of the European Union interpreting any such provision or measure or any measure amended or amendable pursuant to that Title shall be binding upon or applicable in Denmark; and no such provision, measure or decision shall in any way affect the competences, rights and obligations of Denmark; and no such provision, measure or decision shall in any way affect the Community or Union *acquis* nor form part of Union law as they apply to Denmark. In particular, acts of the Union in the field of police cooperation and judicial cooperation in criminal matters adopted before the entry into force of the Treaty of Lisbon which are amended shall continue to be binding upon and applicable to Denmark unchanged.";

- (e) the following new Article 2a shall be inserted:

"ARTICLE 2a

Article 2 of this Protocol shall also apply in respect of those rules laid down on the basis of Article 16 B of the Treaty on the Functioning of the European Union which relate to the processing of personal data by the Member States when carrying out activities which fall within the scope of Chapter 4 or Chapter 5 of Title IV of Part Three of that Treaty.";

- (f) Article 4 shall become Article 6;
- (g) Article 5, renumbered 4, shall be amended as follows:
- (i) throughout the Article, the word "decision" shall be replaced by "measure";
 - (ii) in paragraph 1, the words "under the provisions of Title IV of the Treaty establishing the European Community" shall be replaced by "covered by this Part" and the words "Member States referred to in Article 1 of the Protocol integrating the Schengen *acquis* into the framework of the European Union as well as Ireland or the United Kingdom if those Member States take part in the areas of cooperation in question" shall be replaced by "Member States bound by the measure";
 - (iii) in paragraph 2, the words "the Member States referred to in Article 1 of the Protocol integrating the Schengen *acquis* into the framework

of the European Union will consider" shall be replaced by "the Member States bound by that measure and Denmark will consider";

- (h) Article 6, renumbered 5, shall be amended as follows:
- (i) in the first sentence, the words "in the field of Articles 13(1) and 17 of the Treaty on European Union" shall be replaced by "pursuant to Article 13(1), Article 28 A and Articles 28 B to 28 E of the Treaty on European Union " and the closing words ", but will not prevent the development of closer cooperation between Member States in this area" shall be deleted;
 - (ii) the following new third sentence shall be inserted: "Denmark will not prevent the other Member States from further developing their cooperation in this area.";
 - (iii) at the end of the new fourth sentence, the following shall be added: ", nor to make military capabilities available to the Union";
 - (iv) the following two new paragraphs shall be added:

"The unanimity of the members of the Council, with the exception of the representative of the government of Denmark, shall be necessary for the acts of the Council which must be adopted unanimously.

For the purposes of this Article, a qualified majority shall be defined in accordance with Article 205(3) of the Treaty on the Functioning of the European Union.";

- (i) following the heading "PART III" an Article 6 shall be inserted, with the wording of Article 4;
- (j) a heading "PART IV" shall be inserted before Article 7;
- (k) the following new Article 8 shall be inserted:

"ARTICLE 8

1. At any time and without prejudice to Article 7, Denmark may, in accordance with its constitutional requirements, notify the other Member States that, with effect from the first day of the month following the notification, Part I shall consist of the provisions in the Annex. In that case Articles 5 to 8 shall be renumbered in consequence.

2. Six months after the date on which the notification referred to in paragraph 1 takes effect all Schengen *acquis* and measures adopted to build upon this *acquis*, which until then have been binding on Denmark as obligations under international law, shall be binding upon Denmark as Union law.";

- (l) the following new Annex shall be added to the Protocol:

"ANNEX

ARTICLE 1

Subject to Article 3, Denmark shall not take part in the adoption by the Council of measures proposed pursuant to Title IV of Part Three of the Treaty on the Functioning of the European Union. The unanimity of the members of the Council, with the exception of the representative of the government of Denmark, shall be necessary for the acts of the Council which must be adopted unanimously.

For the purposes of this Article, a qualified majority shall be defined in accordance with Article 205(3) of the Treaty on the Functioning of the European Union.

ARTICLE 2

Pursuant to Article 1 and subject to Articles 3, 4 and 8, none of the provisions in Title IV of Part Three of the Treaty on the Functioning of the European Union, no measure adopted pursuant to that Title, no provision of any international agreements concluded by the Union pursuant to that Title, no decision of the Court of Justice of the European Union interpreting any such provision or measure shall be binding upon or applicable in Denmark; and no such provision, measure or decision shall in any way affect the competences, rights and obligations of Denmark; and no such provision, measure or decision shall in any way affect the Community or Union *acquis* nor form part of Union law as they apply to Denmark.

ARTICLE 3

1. Denmark may notify the President of the Council in writing, within three months after a proposal or initiative has been presented to the Council pursuant to Title IV of Part Three of the Treaty on the Functioning of the European Union, that it wishes to take part in the adoption and

application of any such proposed measure, whereupon Denmark shall be entitled to do so.

2. If after a reasonable period of time a measure referred to in paragraph 1 cannot be adopted with Denmark taking part, the Council may adopt that measure referred to in paragraph 1 in accordance with Article 1 without the participation of Denmark. In that case Article 2 applies.

ARTICLE 4

Denmark may at any time after the adoption of a measure pursuant to Title IV of Part Three of the Treaty on the Functioning of the European Union notify its intention to the Council and the Commission that it wishes to accept that measure. In that case, the procedure provided for in Article 280 F(1) of that Treaty shall apply *mutatis mutandis*.

ARTICLE 5

1. The provisions of this Protocol apply for Denmark also to measures proposed or adopted pursuant to Title IV of Part Three of the Treaty on the Functioning of the European Union amending an existing measure by which it is bound.

2. However, in cases where the Council, acting on a proposal from the Commission, determines that the non-participation of Denmark in the amended version of an existing measure makes the application of that measure inoperable for other Member States or the Union, it may urge it to make a notification under Article 3 or 4. For the purposes of Article 3 a further period of two months starts to run as from the date of such determination by the Council.

If at the expiry of that period of two months from the Council's determination Denmark has not made a notification under Article 3 or Article 4, the existing measure shall no longer be binding upon or applicable to it, unless it has made a notification under Article 4 before the entry into force of the amending measure. This shall take effect from the date of entry into force of the amending measure or of expiry of the period of two months, whichever is the later.

For the purpose of this paragraph, the Council shall, after a full discussion of the matter, act by a qualified majority of its members representing the Member States participating or having participated in the adoption of the amending measure. A qualified majority of the Council shall be defined in

accordance with Article 205(3)(a) of the Treaty on the Functioning of the European Union.

3. The Council, acting by a qualified majority on a proposal from the Commission, may determine that Denmark shall bear the direct financial consequences, if any, necessarily and unavoidably incurred as a result of the cessation of its participation in the existing measure.

4. This Article shall be without prejudice to Article 4.

ARTICLE 6

1. Notification pursuant to Article 4 shall be submitted no later than six months after the final adoption of a measure if this measure builds upon the Schengen *acquis*.

If Denmark does not submit a notification in accordance with Articles 3 or 4 regarding a measure building upon the Schengen *acquis*, the Member States bound by that measure and Denmark will consider appropriate measures to be taken.

2. A notification pursuant to Article 3 with respect to a measure building upon the Schengen *acquis* shall be deemed irrevocably to be a notification pursuant to Article 3 with respect to any further proposal or initiative aiming to build upon that measure to the extent that such proposal or initiative builds upon the Schengen *acquis*.

ARTICLE 7

Denmark shall not be bound by the rules laid down on the basis of Article 16 B of the Treaty on the Functioning of the European Union which relate to the processing of personal data by the Member States when carrying out activities which fall within the scope of Chapter 4 or Chapter 5 of Title IV of Part Three of that Treaty where Denmark is not bound by the rules governing the forms of judicial cooperation in criminal matters or police cooperation which require compliance with the provisions laid down on the basis of Article 16 B.

ARTICLE 8

Where, in cases referred to in this Part, Denmark is bound by a measure adopted by the Council pursuant to Title IV of Part Three of the Treaty on

the Functioning of the European Union, the relevant provisions of the Treaties shall apply to Denmark in relation to that measure.

ARTICLE 9

Where Denmark is not bound by a measure adopted pursuant to Title IV of Part Three of the Treaty on the Functioning of the European Union, it shall bear no financial consequences of that measure other than administrative costs entailed for the institutions unless the Council, with all its Members acting unanimously after consulting the European Parliament, decides otherwise."

PROTOCOL ON ASYLUM FOR NATIONALS OF THE UNION

22) The Protocol on asylum for nationals of Member States of the European Union shall be amended as follows:

- (a) the preamble shall be amended as follows:
 - (i) the first recital shall be replaced by the following:

"WHEREAS, in accordance with Article 6(1) of the Treaty on European Union, the Union recognises the rights, freedoms and principles set out in the Charter of Fundamental Rights;"
 - (ii) the following new second recital shall be inserted:

"WHEREAS pursuant to Article 6(3) of the Treaty on European Union, fundamental rights, as guaranteed by the European Convention for the Protection of Human Rights and Fundamental Freedoms, constitute part of the Union's law as general principles;"
 - (iii) in the second, renumbered third, recital, the reference to Article 6(2) shall be replaced by a reference to Article 6, paragraphs (1) and (3);
 - (iv) in the third, renumbered fourth, recital, the reference to Article 6(1) shall be replaced by a reference to Article 1a;
 - (v) in the third and fourth recitals, which shall become the fourth and fifth recitals, the word "principles" shall be replaced by "values"; in the fourth recital, which shall become the fifth recital, the reference to Article 309 of the Treaty establishing the European Community

shall be replaced by a reference to Article 7 of the Treaty on European Union;

(vi) in the fifth, which shall become the sixth, recital, the reference to the Treaty establishing the European Community shall be replaced by a reference to the Treaty on the Functioning of the European Union;

(vii) the seventh recital, which shall become the eighth recital, shall be deleted;

(b) the Sole Article shall be amended as follows:

(i) in point (b), the words ", or, where appropriate, the European Council," shall be inserted after "the Council" and the words "with regard to the Member State of which the applicant is a national" shall be added at the end;

(ii) point (c) shall be replaced by the following:

"(c) if the Council has adopted a decision in accordance with Article 7(1) of the Treaty on European Union in respect of the Member State of which the applicant is a national or if the European Council has adopted a decision in accordance with Article 7(2) of that Treaty in respect of the Member State of which the applicant is a national;"

PROTOCOL ON ECONOMIC, SOCIAL AND TERRITORIAL COHESION

23) The Protocol on economic and social cohesion shall be amended as follows:

(a) throughout the Protocol, the words "economic and social cohesion" shall be replaced by "economic, social and territorial cohesion";

(b) the preamble shall be amended as follows:

(i) the first, second, fifth, sixth and fourteenth recitals shall be deleted;

(ii) the following new first recital shall be inserted:

"RECALLING that Article 2 of the Treaty on European Union includes the objective of promoting economic, social and territorial cohesion and solidarity between Member States and that the said cohesion figures among the areas of shared competence of the Union listed in Article 2 C(2)(c) of the Treaty on the Functioning of the European Union;"

- (iii) the fourth recital, which shall become the third recital, shall be replaced by the following:

"RECALLING that the provisions of Article 161 of the Treaty on the Functioning of the European Union envisage setting up a Cohesion Fund;"

- (iv) at the end of the eleventh recital, which shall become the eighth recital, the words ", and underline the importance of the inclusion of economic and social cohesion in Articles 2 and 3 of this Treaty" shall be deleted;
- (v) in the fifteenth recital, which shall become the new eleventh recital, the words "to be set up before 31 December 1993" shall be deleted;
- (vi) in the last recital, the reference to the Treaty establishing the European Community shall be replaced by a reference to the Treaty on European Union and the Treaty on the Functioning of the European Union.

OTHER PROTOCOLS

24) In the Protocol on the excessive deficit procedure, in the first recital of the preamble, the reference to the Treaty establishing the European Community shall be replaced by a reference to the Treaty on the Functioning of the European Union.

25) In the Protocol on France, the words "in its overseas territories" shall be replaced by "in New Caledonia, French Polynesia and Wallis and Futuna".

26) In the Protocol on external relations of the Member States with regard to the crossing of external borders, the reference to Article 62(2)(a) of Title IV of the Treaty shall be replaced by a reference to Article 62(2)(b) of the Treaty on the Functioning of the European Union.

27) In the Protocol on Article 17 of the Treaty on European Union, in the first recital of the preamble, the reference to Article 17(1), second subparagraph, and (3), shall be replaced by a reference to Article 28A, second paragraph, and, in the enacting terms, the final words ", within a year from the entry into force of the Treaty of Amsterdam" shall be deleted.

28) In the Protocol on the system of public broadcasting in the Member States, in the final paragraph of the preamble, the words "which shall be annexed to the Treaty establishing the European Community" shall be replaced by "which shall be annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union".

29) In the Protocol concerning imports into the European Union of petroleum products refined in the Netherlands Antilles, in the second sentence of Article 3(3), the words "by a decision taken by a qualified majority" shall be deleted.

30) The Protocol concerning Article 141 of the Treaty establishing the European Community shall be amended as follows:

- (a) in the title of the Protocol, the reference to the Treaty establishing the European Community shall be replaced by a reference to the Treaty on the Functioning of the European Union;
- (b) in the sole provision, the words "of this Treaty" shall be replaced by "of the Treaty on the Functioning of the European Union".

31) In the Protocol on special arrangements for Greenland, the words "Treaty establishing the European Community" shall be replaced by "Treaty on the Functioning of the European Union", and Article 2 shall be deleted.

32) The Protocol annexed to the Treaty on European Union and to the Treaties establishing the European Communities shall be amended as follows:

- (a) the Protocol shall be entitled "Protocol on Article 40.3.3 of the Constitution of Ireland";
- (b) the words "Nothing in the Treaty on European Union, or in the Treaties establishing the European Communities" shall be replaced by "Nothing in the Treaties, or in the Treaty establishing the European Atomic Energy Community".

33) The Protocol on the financial consequences of the expiry of the ECSC Treaty and on the Research Fund for Coal and Steel shall be amended as follows:

- (a) in the preamble, the first two recitals shall be replaced by following new first recital:

"RECALLING that all assets and liabilities of the European Coal and Steel Community, as they existed on 23 July 2002, were transferred to the European Community on 24 July 2002;"
- (b) Article 1(1) shall be deleted and the two remaining paragraphs shall be renumbered accordingly;
- (c) Article 2 shall be split into two paragraphs, the first of which shall end with the words "including essential principles.". Furthermore, that Article shall be amended as follows:

- (i) in the first paragraph, the words "acting unanimously on a proposal from the Commission" shall be replaced by "acting in accordance with a special legislative procedure" and the word "consulting" shall be replaced by "obtaining the consent of";
 - (ii) in the second paragraph, the words "and proper decision-making procedures, in particular for the adoption of" shall be replaced by "The Council shall adopt, on a proposal from the Commission and after consulting the European Parliament, measures establishing";
- (d) Article 4 shall be repealed.

ANNEX

34) In Annex I, Chapter 22, ex 22.08, ex 22.09, the words "to the Treaty" shall be deleted.

ARTICLE 2

1. The articles of the Protocol on the Statute of the European System of Central Banks and of the European Central Bank¹, of the Protocol on the Statute of the European Investment Bank², and of the Protocol on the privileges and immunities of the European Union³, as they are amended by the Treaty of Lisbon, shall be renumbered in accordance with the tables of equivalences set out in the annex to this Protocol. Cross-references to articles of those protocols which appear therein shall be adapted in accordance with the tables.

2. References to recitals of the protocols set out in point 1 of Article 1, or to articles of those protocols, including to paragraphs thereof, as renumbered or rearranged by this Protocol, and which references figure in other protocols or acts of primary legislation shall be adapted in accordance with this Protocol. Such adaptations shall, if necessary, also apply in the event that the provision in question has been repealed.

3. References to recitals and articles, including to paragraphs thereof, of the protocols set out in point 1 of Article 1, as amended by the provisions of this Protocol and which figure in other instruments or acts, shall be understood as references to recitals and articles, including to paragraphs thereof, of those protocols as renumbered or rearranged in accordance with this Protocol.

¹ Treaty Series No.12 (1994) Cm 2485

² Treaty Series No.12 (1994) Cm 2485

³ Treaty Series No.1 (1973) Cmnd 5179 – Part II

ANNEX

TABLES OF EQUIVALENCES REFERRED TO IN ARTICLE 2 OF PROTOCOL
(No 1) AMENDING THE PROTOCOLS ANNEXED TO THE TREATY ON
EUROPEAN UNION, TO THE TREATY ESTABLISHING THE EUROPEAN
COMMUNITY AND/OR TO THE TREATY ESTABLISHING THE EUROPEAN
ATOMIC ENERGY COMMUNITY.

A. PROTOCOL ON THE STATUTE OF THE EUROPEAN SYSTEM OF
CENTRAL BANKS AND OF THE EUROPEAN CENTRAL BANK

Old numbering of the protocol	New numbering of the protocol
Article 1	Article 1
Article 2	Article 2
Article 3	Article 3
Article 4	Article 4
Article 5	Article 5
Article 6	Article 6
Article 7	Article 7
Article 8	Article 8
Article 9	Article 9
Article 10	Article 10
Article 11	Article 11
Article 12	Article 12
Article 13	Article 13
Article 14	Article 14
Article 15	Article 15
Article 16	Article 16
Article 17	Article 17
Article 18	Article 18
Article 19	Article 19
Article 20	Article 20
Article 21	Article 21
Article 22	Article 22

Old numbering of the protocol	New numbering of the protocol
Article 23	Article 23
Article 24	Article 24
Article 25	Article 25
Article 26	Article 26
Article 27	Article 27
Article 28	Article 28
Article 29	Article 29
Article 30	Article 30
Article 31	Article 31
Article 32	Article 32
Article 33	Article 33
Article 34	Article 34
Article 35	Article 35
Article 36	Article 36
Article 37 (repealed)	
Article 38	Article 37
Article 39	Article 38
Article 40	Article 39
Article 41	Article 40
Article 42	Article 41
Article 43	Article 42
Article 44	Article 43
Article 45	Article 44
Article 46	Article 45
Article 47	Article 46
Article 48	Article 47
Article 49	Article 48
Article 50 (repealed)	
Article 51 (repealed)	
Article 52	Article 49
Article 53	Article 50

B. PROTOCOL ON THE STATUTE OF THE EUROPEAN
INVESTMENT BANK

Old numbering of the Protocol	New numbering of the Protocol
Article 1	Article 1
Article 2	Article 2
Article 3	Article 3
Article 4	Article 4
Article 5	Article 5
Article 6 (repealed)	
Article 7 (repealed)	
Article 8	Article 6
Article 9	Article 7
Article 10	Article 8
Article 11	Article 9
Article 12	Article 10
Article 13	Article 11
Article 14	Article 12
Article 15	Article 13
Article 16	Article 14
Article 17	Article 15
Article 18	Article 16
Article 19	Article 17
Article 20	Article 18
Article 21	Article 19
Article 22	Article 20
Article 23	Article 21
Article 24	Article 22
Article 25	Article 23
Article 26	Article 24
Article 27	Article 25
Article 28	Article 26
Article 29	Article 27
Article 30	Article 28

C. PROTOCOL ON THE PRIVILEGES AND IMMUNITIES OF THE
EUROPEAN UNION

Old numbering of the Protocol	New numbering of the Protocol
Article 1	Article 1
Article 2	Article 2
Article 3	Article 3
Article 4	Article 4
Article 5 (repealed)	
Article 6	Article 5
Article 7	Article 6
Article 8	Article 7
Article 9	Article 8
Article 10	Article 9
Article 11	Article 10
Article 12	Article 11
Article 13	Article 12
Article 14	Article 13
Article 15	Article 14
Article 16	Article 15
Article 17	Article 16
Article 18	Article 17
Article 19	Article 18
Article 20	Article 19
Article 21	Article 20
Article 22	Article 21
Article 23	Article 22

PROTOCOL No 2
AMENDING THE TREATY ESTABLISHING THE EUROPEAN ATOMIC
ENERGY COMMUNITY

THE HIGH CONTRACTING PARTIES,

RECALLING the necessity that the provisions of the Treaty establishing the European Atomic Energy Community should continue to have full legal effect;

DESIRING to adapt that Treaty to the new rules laid down by the Treaty on European Union and by the Treaty on the Functioning of the European Union, in particular in the institutional and financial fields,

HAVE AGREED UPON the following provisions, which shall be annexed to the Treaty of Lisbon and which amend the Treaty establishing the European Atomic Energy Community as follows:

ARTICLE 1

This Protocol shall amend the Treaty establishing the European Atomic Energy Community (hereinafter referred to as the "EAEC Treaty") in its version in force at the time of entry into force of the Treaty of Lisbon.

(The second paragraph does not apply to the English version.)

ARTICLE 2

The heading of Title III of the EAEC Treaty "Institutional provisions" shall be replaced by the heading: "Institutional and financial provisions".

ARTICLE 3

The following chapter shall be inserted at the beginning of Title III of the EAEC Treaty:

"CHAPTER I
APPLICATION OF CERTAIN PROVISIONS OF THE TREATY ON EUROPEAN
UNION AND OF THE TREATY ON THE FUNCTIONING OF THE EUROPEAN
UNION

ARTICLE 106a

1. Article 7, Articles 9 to 9 F, Article 48(2) to (5), and Articles 49 and 49 A of the Treaty on European Union, Article 16 A, Articles 190 to 201b, Articles 204 to 211a, Article 213, Articles 215 to 236, Articles 238, 239 and 240, Articles 241 to 245, Articles 246 to 262, Articles 268 to 277, Articles 279 to 280 and Articles 283, 290 and 292 of the Treaty on the Functioning of the European Union, and the Protocol on Transitional Provisions, shall apply to this Treaty.

2. Within the framework of this Treaty, the references to the Union, to the "Treaty on European Union", to the "Treaty on the Functioning of the European Union" or to the "Treaties" in the provisions referred to in paragraph 1 and those in the protocols annexed both to those Treaties and to this Treaty shall be taken, respectively, as references to the European Atomic Energy Community and to this Treaty.

3. The provisions of the Treaty on European Union and of the Treaty on the Functioning of the European Union shall not derogate from the provisions of this Treaty."

ARTICLE 4

Chapters I, II and III of Title III of the EAEC Treaty shall be renumbered II, III and IV respectively.

ARTICLE 5

Article 3, Articles 107 to 132, Articles 136 to 143, Articles 146 to 156, Articles 158 to 163, Articles 165 to 170, Articles 173 and 173 , Article 175, Articles 177 to 179a, and Articles 180b, 181, 183, 183 , 190 and 204 of the EAEC Treaty shall be repealed.

ARTICLE 6

The heading of Title IV of the EAEC Treaty "Financial provisions" shall be replaced by the heading: "Specific financial provisions".

ARTICLE 7

1. In the third paragraph of Article 38 and the fourth paragraph of Article 82 of the EAEC Treaty the references to Articles 141 and 142 shall be replaced by references to Articles 226 and 227 respectively of the Treaty on the Functioning of the European Union.

2. In Article 171(2) and Article 176(3) of the EAEC Treaty the references to Article 183 shall be replaced by references to Article 279 of the Treaty on the Functioning of the European Union.

3. In Article 172(4) of the EAEC Treaty the reference to Article 177(5) shall be replaced by a reference to Article 272 of the Treaty on the Functioning of the European Union.

4. In point (c) of the fourth paragraph of Article 198 of the EAEC Treaty, the reference to Annex II to the Treaty Establishing the European Community shall be replaced by a reference to Annex II to the Treaty on European Union and to the Treaty on the Functioning of the European Union.

5. In the EAEC Treaty the words "Court of Justice" shall be replaced by "Court of Justice of the European Union".

ARTICLE 8

Article 191 of the EAEC Treaty shall be replaced by the following:

"ARTICLE 191

The Community shall enjoy in the territories of the Member States such privileges and immunities as are necessary for the performance of its tasks, under the conditions laid down in the Protocol on the privileges and immunities of the European Union."

ARTICLE 9

Article 206 of the EAEC Treaty shall be replaced by the following:

"ARTICLE 206

The Community may conclude with one or more States or international organisations agreements establishing an association involving reciprocal rights and obligations, common action and special procedures.

These agreements shall be concluded by the Council, acting unanimously after consulting the European Parliament.

Where such agreements call for amendments to this Treaty, these amendments shall first be adopted in accordance with the procedure laid down in Article 48(2) to (5) of the Treaty on European Union."

ARTICLE 10

The revenue and expenditure of the European Atomic Energy Community, except for those of the Supply Agency and Joint Undertakings, shall be shown in the budget of the Union.

TABLES OF EQUIVALENCES REFERRED TO IN ARTICLE 5 OF THE TREATY
OF LISBON

A. Treaty on European Union

Old numbering of the Treaty on European Union	Numbering in the Treaty of Lisbon	New numbering of the Treaty on European Union
TITLE I – COMMON PROVISIONS	TITLE I – COMMON PROVISIONS	TITLE I – COMMON PROVISIONS
Article 1	Article 1	Article 1
	Article 1a	Article 2
Article 2	Article 2	Article 3
Article 3 (repealed) ¹		
	Article 3a	Article 4
	Article 3b ²	Article 5
Article 4 (repealed) ³		
Article 5 (repealed) ⁴		
Article 6	Article 6	Article 6
Article 7	Article 7	Article 7
	Article 7a	Article 8
TITLE II – PROVISIONS AMENDING THE TREATY ESTABLISHING THE EUROPEAN ECONOMIC COMMUNITY WITH A VIEW TO ESTABLISHING THE EUROPEAN COMMUNITY	TITLE II – PROVISIONS ON DEMOCRATIC PRINCIPLES	TITLE II – PROVISIONS ON DEMOCRATIC PRINCIPLES
Article 8 (repealed) ⁵	Article 8	Article 9
	Article 8 A ⁶	Article 10
	Article 8 B	Article 11
	Article 8 C	Article 12

¹ Replaced, in substance, by Article 2 F (renumbered 7) of the Treaty on the Functioning of the European Union ("TFEU") and by Articles 9(1) and 10 A, paragraph 3, second subparagraph (renumbered 13 and 21) of the Treaty on European Union ("TEU")

² Replaces Article 5 of the Treaty establishing the European Community ("TEC")

³ Replaced, in substance, by Article 9 B (renumbered 15)

⁴ Replaced, in substance, by Article 9, paragraph 2 (renumbered 13)

⁵ Article 8 TEU, which was in force until the entry into force of the Treaty of Lisbon (hereinafter "current"), amended the TEC. Those amendments are incorporated into the latter Treaty and Article 8 is repealed. Its number is used to insert a new provision

⁶ Paragraph 4 replaces, in substance, the first subparagraph of Article 191 TEC

Old numbering of the Treaty on European Union	Numbering in the Treaty of Lisbon	New numbering of the Treaty on European Union
TITLE III – PROVISIONS AMENDING THE TREATY ESTABLISHING THE EUROPEAN COAL AND STEEL COMMUNITY	TITLE III – PROVISIONS ON THE INSTITUTIONS	TITLE III – PROVISIONS ON THE INSTITUTIONS
Article 9 (repealed) ¹	Article 9	Article 13
	Article 9 A ²	Article 14
	Article 9 B ³	Article 15
	Article 9 C ⁴	Article 16
	Article 9 D ⁵	Article 17
	Article 9 E	Article 18
	Article 9 F ⁶	Article 19
TITLE IV – PROVISIONS AMENDING THE TREATY ESTABLISHING THE EUROPEAN ATOMIC ENERGY COMMUNITY	TITLE IV – PROVISIONS ON ENHANCED COOPERATION	TITLE IV – PROVISIONS ON ENHANCED COOPERATION
Article 10 (repealed) ⁷ <i>Articles 27 A to 27 E (replaced)</i> <i>Articles 40 to 40 B (replaced)</i> <i>Articles 43 to 45 (replaced)</i>	Article 10 ⁸	Article 20

¹ The current Article 9 TEU amended the Treaty establishing the European Coal and Steel Community. This latter expired on 23 July 2002. Article 9 is repealed and the number thereof is used to insert another provision

² -Paragraphs 1 and 2 replace, in substance, Article 189 TEC;

- paragraphs 1 to 3 replace, in substance, paragraphs 1 to 3 of Article 190 TEC;

- paragraph 1 replaces, in substance, the first subparagraph of Article 192 TEC;

- paragraph 4 replaces, in substance, the first subparagraph of Article 197 TEC

³ Replaces, in substance, Article 4

⁴ -Paragraph 1 replaces, in substance, the first and second indents of Article 202 TEC;

- paragraphs 2 and 9 replace, in substance, Article 203 TEC;

- paragraphs 4 and 5 replace, in substance, paragraphs 2 and 4 of Article 205 TEC

⁵ -Paragraph 1 replaces, in substance, Article 211 TEC;

- paragraphs 3 and 7 replace, in substance, Article 214 TEC.

- paragraph 6 replaces, in substance, paragraphs 1, 3 and 4 of Article 217 TEC

⁶ -Replaces, in substance, Article 220 TEC

- the first subparagraph of paragraph 2 replaces, in substance, the first subparagraph of Article 221 TEC

⁷ The current Article 10 TEU amended the Treaty establishing the European Atomic Energy Community. Those amendments are incorporated into the Treaty of Lisbon. Article 10 is repealed and the number thereof is used to insert another provision

⁸ Also replaces Articles 11 and 11a TEC

Old numbering of the Treaty on European Union	Numbering in the Treaty of Lisbon	New numbering of the Treaty on European Union
TITLE V – PROVISIONS ON A COMMON FOREIGN AND SECURITY POLICY	TITLE V – GENERAL PROVISIONS ON THE UNION'S EXTERNAL ACTION AND SPECIFIC PROVISIONS ON THE COMMON FOREIGN AND SECURITY POLICY	TITLE V – GENERAL PROVISIONS ON THE UNION'S EXTERNAL ACTION AND SPECIFIC PROVISIONS ON THE COMMON FOREIGN AND SECURITY POLICY
	Chapter 1 – General provisions on the Union's external action	Chapter 1 – General provisions on the Union's external action
	Article 10 A	Article 21
	Article 10 B	Article 22
	Chapter 2 – Specific provisions on the common foreign and security policy	Chapter 2 – Specific provisions on the common foreign and security policy
	Section 1 – Common provisions	Section 1 – Common provisions
	Article 10 C	Article 23
Article 11	Article 11	Article 24
Article 12	Article 12	Article 25
Article 13	Article 13	Article 26
	Article 13a	Article 27
Article 14	Article 14	Article 28
Article 15	Article 15	Article 29
<i>Article 22 (moved)</i>	Article 15a	Article 30
<i>Article 23 (moved)</i>	Article 15b	Article 31
Article 16	Article 16	Article 32
Article 17 (moved)	<i>Article 28 A</i>	<i>Article 42</i>
Article 18	Article 18	Article 33
Article 19	Article 19	Article 34
Article 20	Article 20	Article 35
Article 21	Article 21	Article 36
Article 22 (moved)	<i>Article 15a</i>	<i>Article 30</i>
Article 23 (moved)	<i>Article 15b</i>	<i>Article 31</i>
Article 24	Article 24	Article 37
Article 25	Article 25	Article 38
	Article 25a	Article 39
<i>Article 47 (moved)</i>	Article 25b	Article 40

Old numbering of the Treaty on European Union	Numbering in the Treaty of Lisbon	New numbering of the Treaty on European Union
Article 26 (repealed)		
Article 27 (repealed)		
Article 27 A (replaced) ¹	<i>Article 10</i>	<i>Article 20</i>
Article 27 B (replaced) ¹	<i>Article 10</i>	<i>Article 20</i>
Article 27 C (replaced) ¹	<i>Article 10</i>	<i>Article 20</i>
Article 27 D (replaced) ¹	<i>Article 10</i>	<i>Article 20</i>
Article 27 E (replaced) ¹	<i>Article 10</i>	<i>Article 20</i>
Article 28	Article 28	Article 41
	Section 2 – Provisions on the common security and defence policy	Section 2 – Provisions on the common security and defence policy
<i>Article 17 (moved)</i>	Article 28 A	Article 42
	Article 28 B	Article 43
	Article 28 C	Article 44
	Article 28 D	Article 45
	Article 28 E	Article 46
TITLE VI – PROVISIONS ON POLICE AND JUDICIAL COOPERATION IN CRIMINAL MATTERS (repealed) ²		
Article 29 (replaced) ³		
Article 30 (replaced) ⁴		
Article 31 (replaced) ⁵		
Article 32 (replaced) ⁶		
Article 33 (replaced) ⁷		
Article 34 (repealed)		
Article 35 (repealed)		
Article 36 (replaced) ⁸		

¹ The current Articles 27 A to 27 E, on enhanced cooperation, are also replaced by Articles 280 A to 280 I TFEU (renumbered 326 to 334)

² The current provisions of Title VI of the TEU, on police and judicial cooperation in criminal matters, are replaced by the provisions of Chapters 1, 4 and 5 of Title IV (renumbered V) of Part Three of the TFEU

³ Replaced by Article 61 TFEU (renumbered 67)

⁴ Replaced by Articles 69 F and 69 G TFEU (renumbered 87 and 88)

⁵ Replaced by Articles 69 A, 69 B and 69 D TFEU (renumbered 82, 83 and 85)

⁶ Replaced by Article 69 H TFEU (renumbered 89)

⁷ Replaced by Article 61 E TFEU (renumbered 72)

⁸ Replaced by Article 61 D TFEU (renumbered 71)

Old numbering of the Treaty on European Union	Numbering in the Treaty of Lisbon	New numbering of the Treaty on European Union
Article 37 (repealed)		
Article 38 (repealed)		
Article 39 (repealed)		
Article 40 (replaced) ¹	<i>Article 10</i>	<i>Article 20</i>
Article 40 A (replaced) ¹	<i>Article 10</i>	<i>Article 20</i>
Article 40 B (replaced) ¹	<i>Article 10</i>	<i>Article 20</i>
Article 41 (repealed)		
Article 42 (repealed)		
TITLE VII – PROVISIONS ON ENHANCED COOPERATION (replaced) ²	<i>TITLE IV – PROVISION ON ENHANCED COOPERATION</i>	<i>TITLE IV – PROVISION ON ENHANCED COOPERATION</i>
Article 43 (replaced) ²	<i>Article 10</i>	<i>Article 20</i>
Article 43 A (replaced) ²	<i>Article 10</i>	<i>Article 20</i>
Article 43 B (replaced) ²	<i>Article 10</i>	<i>Article 20</i>
Article 44 (replaced) ²	<i>Article 10</i>	<i>Article 20</i>
Article 44 A (replaced) ²	<i>Article 10</i>	<i>Article 20</i>
Article 45 (replaced) ²	<i>Article 10</i>	<i>Article 20</i>
TITRE VIII – FINAL PROVISIONS	TITLE VI – FINAL PROVISIONS	TITLE VI – FINAL PROVISIONS
Article 46 (repealed)		
	Article 46a	Article 47
Article 47 (replaced)	<i>Article 25b</i>	<i>Article 40</i>
Article 48	Article 48	Article 48
Article 49	Article 49	Article 49
	Article 49 A	Article 50
	Article 49 B	Article 51
	Article 49 C	Article 52
Article 50 (repealed)		
Article 51	Article 51	Article 53
Article 52	Article 52	Article 54
Article 53	Article 53	Article 55

¹ The current Articles 40 to 40 B, on enhanced cooperation, are also replaced by Articles 280 A to 280 I TFEU (renumbered 326 to 334)

² The current Articles 43 to 45 and Title VII of the TEU, on enhanced cooperation, are also replaced by Articles 280 A to 280 I TFEU (renumbered 326 to 334)

B. Treaty on the Functioning of the European Union

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
PART ONE – PRINCIPLES	PART ONE – PRINCIPLES	PART ONE – PRINCIPLES
Article 1 (repealed)		
	Article 1a	Article 1
Article 2 (repealed) ¹		
	Title I – Categories and areas of union competence	Title I – Categories and areas of union competence
	Article 2 A	Article 2
	Article 2 B	Article 3
	Article 2 C	Article 4
	Article 2 D	Article 5
	Article 2 E	Article 6
	Title II – Provisions having general application	Title II – Provisions having general application
	Article 2 F	Article 7
Article 3, paragraph 1 (repealed) ²		
Article 3, paragraph 2	Article 3	Article 8
Article 4 (moved)	<i>Article 97b</i>	<i>Article 119</i>
Article 5 (replaced) ³		
	Article 5a	Article 9
	Article 5b	Article 10
Article 6	Article 6	Article 11
<i>Article 153, paragraph 2 (moved)</i>	Article 6a	Article 12
	Article 6b ⁴	Article 13
Article 7 (repealed) ⁵		
Article 8 (repealed) ⁶		
Article 9 (repealed)		
Article 10 (repealed) ⁷		

¹ Replaced, in substance, by Article 2 TEU (renumbered 3)

² Replaced, in substance, by Articles 2 B to 2 E TFEU (renumbered 3 to 6)

³ Replaced by Article 3b TEU (renumbered 5)

⁴ Insertion of the operative part of the protocol on protection and welfare of animals

⁵ Replaced, in substance, by Article 9 TEU (renumbered 13)

⁶ Replaced, in substance, by Article 9 TEU (renumbered 13) and Article 245a, paragraph 1, TFEU (renumbered 282)

⁷ Replaced, in substance, by Article 3a, paragraph 3, TEU (renumbered 4)

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
Article 11 (replaced) ¹	<i>Articles 280 A to 280 I</i>	<i>Articles 326 to 334</i>
Article 11a (replaced) ¹	<i>Articles 280 A to 280 I</i>	<i>Articles 326 to 334</i>
Article 12 (repealed)	<i>Article 16 D</i>	<i>Article 18</i>
Article 13 (moved)	<i>Article 16 E</i>	<i>Article 19</i>
Article 14 (moved)	<i>Article 22a</i>	<i>Article 26</i>
Article 15 (moved)	<i>Article 22b</i>	<i>Article 27</i>
Article 16	Article 16	Article 14
<i>Article 255 (moved)</i>	Article 16 A	Article 15
<i>Article 286 (moved)</i>	Article 16 B	Article 16
	Article 16 C	Article 17
PART TWO – CITIZENSHIP OF THE UNION	PART TWO – NON-DISCRIMINATION AND CITIZENSHIP OF THE UNION	PART TWO – NON-DISCRIMINATION AND CITIZENSHIP OF THE UNION
<i>Article 12 (moved)</i>	Article 16 D	Article 18
<i>Article 13 (moved)</i>	Article 16 E	Article 19
Article 17	Article 17	Article 20
Article 18	Article 18	Article 21
Article 19	Article 19	Article 22
Article 20	Article 20	Article 23
Article 21	Article 21	Article 24
Article 22	Article 22	Article 25
PART THREE – COMMUNITY POLICIES	PART THREE – POLICIES AND INTERNAL ACTIONS OF THE UNION	PART THREE – POLICIES AND INTERNAL ACTIONS OF THE UNION
	Title I – The internal market	Title I – The internal market
<i>Article 14 (moved)</i>	Article 22a	Article 26
<i>Article 15 (moved)</i>	Article 22b	Article 27
Title I – Free movement of goods	Title Ia – Free movement of goods	Title II – Free movement of goods
Article 23	Article 23	Article 28
Article 24	Article 24	Article 29
Chapter 1 – The customs union	Chapter 1 – The customs union	Chapter 1 – The customs union
Article 25	Article 25	Article 30
Article 26	Article 26	Article 31
Article 27	Article 27	Article 32

¹ Also replaced by Article 10 TEU (renumbered 20)

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
<i>Part Three, Title X, Customs cooperation (moved)</i>	Chapter 1a – Customs cooperation	Chapter 2 – Customs cooperation
<i>Article 135 (moved)</i>	Article 27a	Article 33
Chapter 2 – Prohibition of quantitative restrictions between Member States	Chapter 2 – Prohibition of quantitative restrictions between Member States	Chapter 3 – Prohibition of quantitative restrictions between Member States
Article 28	Article 28	Article 34
Article 29	Article 29	Article 35
Article 30	Article 30	Article 36
Article 31	Article 31	Article 37
Title II – Agriculture	Title II – Agriculture and fisheries	Title III – Agriculture and fisheries
Article 32	Article 32	Article 38
Article 33	Article 33	Article 39
Article 34	Article 34	Article 40
Article 35	Article 35	Article 41
Article 36	Article 36	Article 42
Article 37	Article 37	Article 43
Article 38	Article 38	Article 44
Title III – Free movement of persons, services and capital	Title III – Free movement of persons, services and capital	Title IV – Free movement of persons, services and capital
Chapter 1 – Workers	Chapter 1 – Workers	Chapter 1 – Workers
Article 39	Article 39	Article 45
Article 40	Article 40	Article 46
Article 41	Article 41	Article 47
Article 42	Article 42	Article 48
Chapter 2 – Right of establishment	Chapter 2 – Right of establishment	Chapter 2 – Right of establishment
Article 43	Article 43	Article 49
Article 44	Article 44	Article 50
Article 45	Article 45	Article 51
Article 46	Article 46	Article 52
Article 47	Article 47	Article 53
Article 48	Article 48	Article 54
<i>Article 294 (moved)</i>	Article 48a	Article 55

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
Chapter 3 – Services	Chapter 3 – Services	Chapter 3 – Services
Article 49	Article 49	Article 56
Article 50	Article 50	Article 57
Article 51	Article 51	Article 58
Article 52	Article 52	Article 59
Article 53	Article 53	Article 60
Article 54	Article 54	Article 61
Article 55	Article 55	Article 62
Chapter 4 – Capital and payments	Chapter 4 – Capital and payments	Chapter 4 – Capital and payments
Article 56	Article 56	Article 63
Article 57	Article 57	Article 64
Article 58	Article 58	Article 65
Article 59	Article 59	Article 66
Article 60 (moved)	<i>Article 61 H</i>	<i>Article 75</i>
Title IV – Visas, asylum, immigration and other policies related to free movement of persons	Title IV – Area of freedom, security and justice	Title V – Area of freedom, security and justice
	Chapter 1 – General provisions	Chapter 1 – General provisions
Article 61	Article 61 ¹	Article 67
	Article 61 A	Article 68
	Article 61 B	Article 69
	Article 61 C	Article 70
	Article 61 D ²	Article 71
<i>Article 64, paragraph 1 (replaced)</i>	Article 61 E ³	Article 72
	Article 61 F	Article 73
<i>Article 66 (replaced)</i>	Article 61 G	Article 74
<i>Article 60 (moved)</i>	Article 61 H	Article 75
	Article 61 I	Article 76

¹ Also replaces the current Article 29 TEU

² Replaces the current Article 36 TEU

³ Also replaces the current Article 33 TEU

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
	Chapter 2 – Policies on border checks, asylum and immigration	Chapter 2 – Policies on border checks, asylum and immigration
Article 62	Article 62	Article 77
Article 63, points 1 et 2, and Article 64, paragraph 2 ¹	Article 63	Article 78
Article 63, points 3 and 4	Article 63a	Article 79
	Article 63b	Article 80
Article 64, paragraph 1 (replaced)	<i>Article 61 E</i>	<i>Article 72</i>
	Chapter 3 – Judicial cooperation in civil matters	Chapter 3 – Judicial cooperation in civil matters
Article 65	Article 65	Article 81
Article 66 (replaced)	<i>Article 61 G</i>	<i>Article 74</i>
Article 67 (repealed)		
Article 68 (repealed)		
Article 69 (repealed)		
	Chapter 4 – Judicial cooperation in criminal matters	Chapter 4 – Judicial cooperation in criminal matters
	Article 69 A ²	Article 82
	Article 69 B ²	Article 83
	Article 69 C	Article 84
	Article 69 D ²	Article 85
	Article 69 E	Article 86
	Chapter 5 - Police cooperation	Chapter 5 – Police cooperation
	Article 69 F ³	Article 87
	Article 69 G ³	Article 88
	Article 69 H ⁴	Article 89
Title V – Transport	Title V – Transport	Title VI – Transport
Article 70	Article 70	Article 90
Article 71	Article 71	Article 91
Article 72	Article 72	Article 92
Article 73	Article 73	Article 93
Article 74	Article 74	Article 94
Article 75	Article 75	Article 95

¹ Points 1 and 2 of Article 63 EC are replaced by paragraphs 1 and 2 of Article 63 TFEU (renumbered 78), and paragraph 2 of Article 64 is replaced by paragraph 3 of Article 63 TFEU (renumbered 78)

² Replaces the current Article 31 TEU

- 3 Replaces the current Article 30 TEU
- 4 Replaces the current Article 32 TEU

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
Article 76	Article 76	Article 96
Article 77	Article 77	Article 97
Article 78	Article 78	Article 98
Article 79	Article 79	Article 99
Article 80	Article 80	Article 100
Title VI – Common rules on competition, taxation and approximation of laws	Title VI – Common rules on competition, taxation and approximation of laws	Title VII – Common rules on competition, taxation and approximation of laws
Chapter 1 – Rules on competition	Chapter 1 – Rules on competition	Chapter 1 – Rules on competition
Section 1 – Rules applying to undertakings	Section 1 – Rules applying to undertakings	Section 1 – Rules applying to undertakings
Article 81	Article 81	Article 101
Article 82	Article 82	Article 102
Article 83	Article 83	Article 103
Article 84	Article 84	Article 104
Article 85	Article 85	Article 105
Article 86	Article 86	Article 106
Section 2 – Aids granted by States	Section 2 – Aids granted by States	Section 2 – Aids granted by States
Article 87	Article 87	Article 107
Article 88	Article 88	Article 108
Article 89	Article 89	Article 109
Chapter 2 – Tax provisions	Chapter 2 – Tax provisions	Chapter 2 – Tax provisions
Article 90	Article 90	Article 110
Article 91	Article 91	Article 111
Article 92	Article 92	Article 112
Article 93	Article 93	Article 113
Chapter 3 – Approximation of laws	Chapter 3 – Approximation of laws	Chapter 3 – Approximation of laws
<i>Article 95 (moved)</i>	Article 94	Article 114
<i>Article 94 (moved)</i>	Article 95	Article 115
Article 96	Article 96	Article 116
Article 97	Article 97	Article 117
	Article 97a	Article 118

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
Title VII – Economic and monetary policy	Title VII – Economic and monetary policy	Title VIII – Economic and monetary policy
<i>Article 4 (moved)</i>	Article 97b	Article 119
Chapter 1 – Economic policy	Chapter 1 – Economic policy	Chapter 1 – Economic policy
Article 98	Article 98	Article 120
Article 99	Article 99	Article 121
Article 100	Article 100	Article 122
Article 101	Article 101	Article 123
Article 102	Article 102	Article 124
Article 103	Article 103	Article 125
Article 104	Article 104	Article 126
Chapter 2 – monetary policy	Chapter 2 – monetary policy	Chapter 2 – monetary policy
Article 105	Article 105	Article 127
Article 106	Article 106	Article 128
Article 107	Article 107	Article 129
Article 108	Article 108	Article 130
Article 109	Article 109	Article 131
Article 110	Article 110	Article 132
Article 111, paragraphs 1 to 3 and 5 (moved)	<i>Article 188 O</i>	<i>Article 219</i>
Article 111, paragraph 4 (moved)	<i>Article 115 C, paragraph 1</i>	<i>Article 138</i>
	Article 111a	Article 133
Chapter 3 – Institutional provisions	Chapter 3 – Institutional provisions	Chapter 3 – Institutional provisions
Article 112 (moved)	<i>Article 245b</i>	<i>Article 283</i>
Article 113 (moved)	<i>Article 245c</i>	<i>Article 284</i>
Article 114	Article 114	Article 134
Article 115	Article 115	Article 135
	Chapter 3a – Provisions specific to Member States whose currency is the euro	Chapter 4 – Provisions specific to Member States whose currency is the euro
	Article 115 A	Article 136
	Article 115 B	Article 137
<i>Article 111, paragraph 4 (moved)</i>	Article 115 C	Article 138

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
Chapter 4 – Transitional provisions	Chapter 4 – Transitional provisions	Chapter 5 – Transitional provisions
Article 116 (repealed)		
	Article 116a	Article 139
Article 117, paragraph 2, first five indents (moved)	<i>Article 118a, paragraph 2</i>	<i>Article 141, paragraph 2</i>
Article 117, paragraphs 1, 2, sixth indent, and 3 to 9 (repealed)		
<i>Article 121, paragraph 1 (moved)</i> <i>Article 122, paragraph 2, second sentence (moved)</i> <i>Article 123, paragraph 5 (moved)</i>	Article 117a, first paragraph ¹ Article 117a, second paragraph ² Article 117a, third paragraph ³	Article 140
Article 118 (repealed)		
<i>Article 123, paragraph 3 (moved)</i> <i>Article 117, paragraph 2, first five indents (moved)</i>	Article 118a, paragraph 1 ⁴ Article 118a, paragraph 2 ⁵	Article 141
<i>Article 124, paragraph 1 (moved)</i>	Article 118b	Article 142
Article 119	Article 119	Article 143
Article 120	Article 120	Article 144
Article 121, paragraph 1 (moved)	<i>Article 117a, paragraph 1</i>	<i>Article 140, paragraph 1</i>
Article 121, paragraphs 2 to 4 (repealed)		
Article 122, paragraphs 1, 2, first sentence, 3, 4, 5 and 6 (repealed)		
Article 122, paragraph 2, second sentence (moved)	<i>Article 117a, paragraph 2, first subparagraph</i>	<i>Article 140, paragraph 2, first subparagraph</i>
Article 123, paragraphs 1, 2 and 4 (repealed)		
Article 123, paragraph 3 (moved)	<i>Article 118a, paragraph 1</i>	<i>Article 141, paragraph 1</i>
Article 123, paragraph 5 (moved)	<i>Article 117a, paragraph 3</i>	<i>Article 140, paragraph 3</i>

- ¹ Article 117a, paragraph 1, (renumbered 140) takes over the wording of paragraph 1 of Article 121
- ² Article 117a, paragraph 2, (renumbered 140) takes over the second sentence of paragraph 2 of Article 122
- ³ Article 117a, paragraph 3, (renumbered 140) takes over paragraph 5 of Article 123
- ⁴ Article 118a, paragraph 1, (renumbered 140) takes over paragraph 3 of Article 123
- ⁵ Article 118a, paragraph 2, (renumbered 141) takes over the first five indents of paragraph 2 of Article 117

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
Article 124, paragraph 1 (moved)	<i>Article 118b</i>	<i>Article 142</i>
Article 124, paragraph 2 (repealed)		
Title VIII – Employment	Title VIII – Employment	Title IX – Employment
Article 125	Article 125	Article 145
Article 126	Article 126	Article 146
Article 127	Article 127	Article 147
Article 128	Article 128	Article 148
Article 129	Article 129	Article 149
Article 130	Article 130	Article 150
Title IX – Common commercial policy (moved)	<i>Part Five, Title II, common commercial policy</i>	<i>Part Five, Title II, common commercial policy</i>
Article 131 (moved)	<i>Article 188 B</i>	<i>Article 206</i>
Article 132 (repealed)		
Article 133 (moved)	<i>Article 188 C</i>	<i>Article 207</i>
Article 134 (repealed)		
Title X – Customs cooperation (moved)	<i>Part Three, Title II, Chapter 1a, Customs cooperation</i>	<i>Part Three, Title II, Chapter 2, Customs cooperation</i>
Article 135 (moved)	<i>Article 27a</i>	<i>Article 33</i>
Title XI – Social policy, education, vocational training and youth	Title IX – Social policy	Title X – Social policy
Chapter 1 – social provisions (repealed)		
Article 136	Article 136	Article 151
	Article 136a	Article 152
Article 137	Article 137	Article 153
Article 138	Article 138	Article 154
Article 139	Article 139	Article 155
Article 140	Article 140	Article 156
Article 141	Article 141	Article 157
Article 142	Article 142	Article 158
Article 143	Article 143	Article 159
Article 144	Article 144	Article 160
Article 145	Article 145	Article 161

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
Chapter 2 – The European Social Fund	Title X – The European Social Fund	Title XI – The European Social Fund
Article 146	Article 146	Article 162
Article 147	Article 147	Article 163
Article 148	Article 148	Article 164
Chapter 3 – Education, vocational training and youth	Title XI – Education, vocational training, youth and sport	Title XII – Education, vocational training, youth and sport
Article 149	Article 149	Article 165
Article 150	Article 150	Article 166
Title XII – Culture	Title XII – Culture	Title XIII – Culture
Article 151	Article 151	Article 167
Title XIII – Public health	Title XIII – Public health	Title XIV – Public health
Article 152	Article 152	Article 168
Title XIV – Consumer protection	Title XIV – Consumer protection	Title XV – Consumer protection
Article 153, paragraphs 1, 3, 4 and 5	Article 153	Article 169
Article 153, paragraph 2 (moved)	<i>Article 6a</i>	<i>Article 12</i>
Title XV – Trans-European networks	Title XV – Trans-European networks	Title XVI – Trans-European networks
Article 154	Article 154	Article 170
Article 155	Article 155	Article 171
Article 156	Article 156	Article 172
Title XVI – Industry	Title XVI – Industry	Title XVII – Industry
Article 157	Article 157	Article 173
Title XVII – Economic and social cohesion	Title XVII – Economic, social and territorial cohesion	Title XVIII – Economic, social and territorial cohesion
Article 158	Article 158	Article 174
Article 159	Article 159	Article 175
Article 160	Article 160	Article 176
Article 161	Article 161	Article 177
Article 162	Article 162	Article 178

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
Title XVIII – Research and technological development	Title XVIII – Research and technological development and space	Title XIX – Research and technological development and space
Article 163	Article 163	Article 179
Article 164	Article 164	Article 180
Article 165	Article 165	Article 181
Article 166	Article 166	Article 182
Article 167	Article 167	Article 183
Article 168	Article 168	Article 184
Article 169	Article 169	Article 185
Article 170	Article 170	Article 186
Article 171	Article 171	Article 187
Article 172	Article 172	Article 188
	Article 172bis	Article 189
Article 173	Article 173	Article 190
Title XIX – Environment	Title XIX – Environment	Title XX – Environment
Article 174	Article 174	Article 191
Article 175	Article 175	Article 192
Article 176	Article 176	Article 193
	Title XX – Energy	Titre XXI – Energy
	Article 176 A	Article 194
	Title XXI – Tourism	Title XXII – Tourism
	Article 176 B	Article 195
	Title XXII – Civil protection	Title XXIII – Civil protection
	Article 176 C	Article 196
	Title XXIII – Administrative cooperation	Title XXIV – Administrative cooperation
	Article 176 D	Article 197
Title XX – Development cooperation (moved)	<i>Part Five, Title III, Chapter 1, Development cooperation</i>	<i>Part Five, Title III, Chapter 1, Development cooperation</i>
Article 177 (moved)	<i>Article 188 D</i>	<i>Article 208</i>
Article 178 (repealed) ¹		
Article 179 (moved)	<i>Article 188 E</i>	<i>Article 209</i>
Article 180 (moved)	<i>Article 188 F</i>	<i>Article 210</i>
Article 181 (moved)	<i>Article 188 G</i>	<i>Article 211</i>

¹ Replaced, in substance, by the second sentence of the second subparagraph of paragraph 1 of Article 188 D TFEU (renumbered 208)

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
Title XXI – Economic, financial and technical cooperation with third countries (moved)	<i>Part Five, Title III, Chapter 2, Economic, financial and technical cooperation with third countries</i>	<i>Part Five, Title III, Chapter 2, Economic, financial and technical cooperation with third countries</i>
Article 181a (moved)	<i>Article 188 H</i>	<i>Article 212</i>
PART FOUR – ASSOCIATION OF THE OVERSEAS COUNTRIES AND TERRITORIES	PART FOUR – ASSOCIATION OF THE OVERSEAS COUNTRIES AND TERRITORIES	PART FOUR – ASSOCIATION OF THE OVERSEAS COUNTRIES AND TERRITORIES
Article 182	Article 182	Article 198
Article 183	Article 183	Article 199
Article 184	Article 184	Article 200
Article 185	Article 185	Article 201
Article 186	Article 186	Article 202
Article 187	Article 187	Article 203
Article 188	Article 188	Article 204
	PART FIVE – EXTERNAL ACTION BY THE UNION	PART FIVE – EXTERNAL ACTION BY THE UNION
	Title I – General provisions on the union's external action	Title I – General provisions on the union's external action
	Article 188 A	Article 205
<i>Part Three, Title IX, Common commercial policy (moved)</i>	Title II – Common commercial policy	Title II – Common commercial policy
<i>Article 131 (moved)</i>	Article 188 B	Article 206
<i>Article 133 (moved)</i>	Article 188 C	Article 207
	Title III – Cooperation with third countries and humanitarian aid	Title III – Cooperation with third countries and humanitarian aid
<i>Part Three, Title XX, Development cooperation (moved)</i>	Chapter 1 – development cooperation	Chapter 1 – development cooperation
<i>Article 177 (moved)</i>	Article 188 D ¹	Article 208
<i>Article 179 (moved)</i>	Article 188 E	Article 209
<i>Article 180 (moved)</i>	Article 188 F	Article 210
<i>Article 181 (moved)</i>	Article 188 G	Article 211

¹ The second sentence of the second subparagraph of paragraph 1 replaces, in substance, Article 178 TEC

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
<i>Part Three, Title XXI, Economic, financial and technical cooperation with third countries (moved)</i>	Chapter 2 – Economic, financial and technical cooperation with third countries	Chapter 2 – Economic, financial and technical cooperation with third countries
<i>Article 181a (moved)</i>	Article 188 H	Article 212
	Article 188 I	Article 213
	Chapter 3 – Humanitarian aid	Chapter 3 – Humanitarian aid
	Article 188 J	Article 214
	Title IV – Restrictive measures	Title IV – Restrictive measures
<i>Article 301 (replaced)</i>	Article 188 K	Article 215
	Title V – International agreements	Title V – International agreements
	Article 188 L	Article 216
<i>Article 310 (moved)</i>	Article 188 M	Article 217
<i>Article 300 (replaced)</i>	Article 188 N	Article 218
<i>Article 111, paragraphe 1 to 3 and 5 (moved)</i>	Article 188 O	Article 219
	Title VI – The Union's relations with international organisations and third countries and the Union delegations	Title VI – The Union's relations with international organisations and third countries and the Union delegations
<i>Articles 302 to 304 (replaced)</i>	Article 188 P	Article 220
	Article 188 Q	Article 221
	Title VII – Solidarity clause	Title VII – Solidarity clause
	Article 188 R	Article 222
PART FIVE – INSTITUTIONS OF THE COMMUNITY	PART SIX – INSTITUTIONAL AND BUDGETARY PROVISIONS	PART SIX – INSTITUTIONAL AND FINANCIAL PROVISIONS
Title I – Institutional provisions	Title I – Institutional provisions	Title I – Institutional provisions
Chapter 1 – The institutions	Chapter 1 – The institutions	Chapter 1 – The institutions
Section 1 – The European Parliament	Section 1 – The European Parliament	Section 1 – The European Parliament
Article 189 (repealed) ¹		
Article 190, paragraphs 1 to 3 (repealed) ²		
Article 190, paragraphs 4 and 5	Article 190	Article 223

¹ Replaced, in substance, by Article 9 A, paragraphs 1 and 2, TEU (renumbered 14)
² Replaced, in substance, by Article 9 A, paragraphs 1 to 3, TEU (renumbered 14)

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
Article 191, first paragraph (repealed) ¹		
Article 191, second paragraph	Article 191	Article 224
Article 192, first paragraph (repealed) ²		
Article 192, second paragraph	Article 192	Article 225
Article 193	Article 193	Article 226
Article 194	Article 194	Article 227
Article 195	Article 195	Article 228
Article 196	Article 196	Article 229
Article 197, first paragraph (repealed) ³		
Article 197, second, third and fourth paragraphs	Article 197	Article 230
Article 198	Article 198	Article 231
Article 199	Article 199	Article 232
Article 200	Article 200	Article 233
Article 201	Article 201	Article 234
	Section 1a – The European Council	Section 2 – The European Council
	Article 201a	Article 235
	Article 201b	Article 236
Section 2 – The Council	Section 2 – The Council	Section 3 – The Council
Article 202 (repealed) ⁴		
Article 203 (repealed) ⁵		
Article 204	Article 204	Article 237
Article 205, paragraphs 2 and 4 (repealed) ⁶		
Article 205, paragraphs 1 and 3	Article 205	Article 238
Article 206	Article 206	Article 239
Article 207	Article 207	Article 240
Article 208	Article 208	Article 241
Article 209	Article 209	Article 242
Article 210	Article 210	Article 243

¹ Replaced, in substance, by Article 8 A, paragraph 4, TEU (renumbered 11)

² Replaced, in substance, by Article 9 A, paragraph 1, TEU (renumbered 14)

³ Replaced, in substance, by Article 9 A, paragraph 4, TEU (renumbered 14)

⁴ Replaced, in substance, by Article 9 C, paragraph 1, TEU (renumbered 16) and Articles 249 B and 249 C TFEU (renumbered 290 and 291)

⁵ Replaced, in substance, by Article 9 C, paragraphs 2 and 9 TEU (renumbered 16)

⁶ Replaced, in substance, by Article 9 C, paragraphs 4 and 5 TEU (renumbered 16)

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
Section 3 – The Commission	Section 3 – The Commission	Section 4 – The Commission
Article 211 (repealed) ¹		
	Article 211a	Article 244
Article 212 (moved)	<i>Article 218, paragraph 2</i>	<i>Article 249, paragraph 2</i>
Article 213	Article 213	Article 245
Article 214 (repealed) ²		
Article 215	Article 215	Article 246
Article 216	Article 216	Article 247
Article 217, paragraphs 1, 3 and 4 (repealed) ³		
Article 217, paragraph 2	Article 217	Article 248
Article 218, paragraph 1 (repealed) ⁴		
Article 218, paragraph 2	Article 218	Article 249
Article 219	Article 219	Article 250
Section 4 – The Court of Justice	Section 4 – The Court of Justice of the European Union	Section 5 – The Court of Justice of the European Union
Article 220 (repealed) ⁵		
Article 221, first paragraph (repealed) ⁶		
Article 221, second and third paragraphs	Article 221	Article 251
Article 222	Article 222	Article 252
Article 223	Article 223	Article 253
Article 224 ⁷	Article 224	Article 254
	Article 224a	Article 255
Article 225	Article 225	Article 256
Article 225a	Article 225a	Article 257
Article 226	Article 226	Article 258

¹ Replaced, in substance, by Article 9 D, paragraph 1 TEU (renumbered 17)

² Replaced, in substance, by Article 9 D, paragraphs 3 and 7 TEU (renumbered 17)

³ Replaced, in substance, by Article 9 D, paragraph 6, TEU (renumbered 17)

⁴ Replaced, in substance, by Article 252a TFEU (renumbered 295)

⁵ Replaced, in substance, by Article 9 F TEU (renumbered 19)

⁶ Replaced, in substance, by Article 9 F, paragraph 2, first subparagraph, of the TEU (renumbered 19)

⁷ The first sentence of the first subparagraph is replaced, in substance, by Article 9 F, paragraph 2, second subparagraph of the TEU (renumbered 19)

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
Article 227	Article 227	Article 259
Article 228	Article 228	Article 260
Article 229	Article 229	Article 261
Article 229a	Article 229a	Article 262
Article 230	Article 230	Article 263
Article 231	Article 231	Article 264
Article 232	Article 232	Article 265
Article 233	Article 233	Article 266
Article 234	Article 234	Article 267
Article 235	Article 235	Article 268
	Article 235a	Article 269
Article 236	Article 236	Article 270
Article 237	Article 237	Article 271
Article 238	Article 238	Article 272
Article 239	Article 239	Article 273
Article 240	Article 240	Article 274
	Article 240a	Article 275
	Article 240b	Article 276
Article 241	Article 241	Article 277
Article 242	Article 242	Article 278
Article 243	Article 243	Article 279
Article 244	Article 244	Article 280
Article 245	Article 245	Article 281
	Section 4a – The European Central Bank	Section 6 – The European Central Bank
	Article 245a	Article 282
<i>Article 112 (moved)</i>	Article 245b	Article 283
<i>Article 113 (moved)</i>	Article 245c	Article 284
Section 5 – The Court of Auditors	Section 5 – The Court of Auditors	Section 7 – The Court of Auditors
Article 246	Article 246	Article 285
Article 247	Article 247	Article 286
Article 248	Article 248	Article 287

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
Chapter 2 – Provisions common to several institutions	Chapter 2 – Legal acts of the Union, adoption procedures and other provisions	Chapter 2 – Legal acts of the Union, adoption procedures and other provisions
	Section 1 – The legal acts of the Union	Section 1 – The legal acts of the Union
Article 249	Article 249	Article 288
	Article 249 A	Article 289
	Article 249 B ¹	Article 290
	Article 249 C ¹	Article 291
	Article 249 D	Article 292
	Section 2 – Procedures for the adoption of acts and other provisions	Section 2 – Procedures for the adoption of acts and other provisions
Article 250	Article 250	Article 293
Article 251	Article 251	Article 294
Article 252 (repealed)		
	Article 252a	Article 295
Article 253	Article 253	Article 296
Article 254	Article 254	Article 297
	Article 254a	Article 298
Article 255 (moved)	<i>Article 16 A</i>	<i>Article 15</i>
Article 256	Article 256	Article 299
	Chapter 3 – The Union's advisory bodies	Chapter 3 – The Union's advisory bodies
	Article 256a	Article 300
Chapter 3 – The Economic and Social Committee	Section 1 – The Economic and Social Committee	Section 1 – The Economic and Social Committee
Article 257 (repealed) ²		
Article 258, first, second and fourth paragraphs	Article 258	Article 301
Article 258, third paragraph (repealed) ³		

¹ Replaces, in substance, the third indent of Article 202 TEC

² Replaced, in substance, by Article 256a, paragraph 2 of the TFEU (renumbered 300)

³ Replaced, in substance, by Article 256a, paragraph 4 of the TFEU (renumbered 300)

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
Article 259	Article 259	Article 302
Article 260	Article 260	Article 303
Article 261 (repealed)		
Article 262	Article 262	Article 304
Chapter 4 – The Committee of the Regions	Section 2 – The Committee of the Regions	Section 2 – The Committee of the Regions
Article 263, first and fifth paragraphs (repealed) ¹		
Article 263, second to fourth paragraphs	Article 263	Article 305
Article 264	Article 264	Article 306
Article 265	Article 265	Article 307
Chapter 5 – The European Investment Bank	Chapter 4 – The European Investment Bank	Chapter 4 – The European Investment Bank
Article 266	Article 266	Article 308
Article 267	Article 267	Article 309
Title II – Financial provisions	Title II – Financial provisions	Title II – Financial provisions
Article 268	Article 268	Article 310
	Chapter 1 – The Union's own resources	Chapter 1 – The Union's own resources
Article 269	Article 269	Article 311
Article 270 (repealed) ²		
	Chapter 2 – The multiannual financial framework	Chapter 2 – The multiannual financial framework
	Article 270a	Article 312
	Chapter 3 – The Union's annual budget	Chapter 3 – The Union's annual budget
<i>Article 272, paragraph 1 (moved)</i>	Article 270b	Article 313
Article 271 (moved)	<i>Article 273a</i>	<i>Article 316</i>
Article 272, paragraph 1 (moved)	<i>Article 270b</i>	<i>Article 313</i>
Article 272, paragraphs 2 to 10	Article 272	Article 314
Article 273	Article 273	Article 315
<i>Article 271 (moved)</i>	Article 273a	Article 316

¹ Replaced, in substance, by Article 256a, paragraphs 3 and 4, TFEU (renumbered 300)

² Replaced, in substance, by Article 268, paragraph 4, TFEU (renumbered 310)

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
	Chapter 4 – Implementation of the budget and discharge	Chapter 4 – Implementation of the budget and discharge
Article 274	Article 274	Article 317
Article 275	Article 275	Article 318
Article 276	Article 276	Article 319
	Chapter 5 – Common provisions	Chapter 5 – Common provisions
Article 277	Article 277	Article 320
Article 278	Article 278	Article 321
Article 279	Article 279	Article 322
	Article 279a	Article 323
	Article 279b	Article 324
	Chapter 6 – Combating fraud	Chapter 6 – Combating fraud
Article 280	Article 280	Article 325
	Title III – Enhanced cooperation	Title III – Enhanced cooperation
<i>Articles 11 and 11 A (replaced)</i>	Article 280 A ¹	Article 326
<i>Articles 11 and 11 A (replaced)</i>	Article 280 B ¹	Article 327
<i>Articles 11 and 11 A (replaced)</i>	Article 280 C ¹	Article 328
<i>Articles 11 and 11 A (replaced)</i>	Article 280 D ¹	Article 329
<i>Articles 11 and 11 A (replaced)</i>	Article 280 E ¹	Article 330
<i>Articles 11 and 11 A (replaced)</i>	Article 280 F ¹	Article 331
<i>Articles 11 and 11 A (replaced)</i>	Article 280 G ¹	Article 332
<i>Articles 11 and 11 A (replaced)</i>	Article 280 H ¹	Article 333
<i>Articles 11 and 11 A (replaced)</i>	Article 280 I ¹	Article 334
PART SIX – GENERAL AND FINAL PROVISIONS	PART SEVEN – GENERAL AND FINAL PROVISIONS	PART SEVEN – GENERAL AND FINAL PROVISIONS
Article 281 (repealed) ²		
Article 282	Article 282	Article 335
Article 283	Article 283	Article 336
Article 284	Article 284	Article 337
Article 285	Article 285	Article 338

Article 286 (replaced)	<i>Article 16 B</i>	<i>Article 16</i>
Article 287	Article 287	Article 339
Article 288	Article 288	Article 340
Article 289	Article 289	Article 341
Article 290	Article 290	Article 342

¹ Also replaces the current Articles 27 A to 27 E, 40 to 40 B, and 43 to 45 TEU

² Replaced, in substance, by Article 49 C TEU (renumbered 52)

Old numbering of the Treaty establishing the European Community	Numbering in the Treaty of Lisbon	New numbering of the Treaty on the Functioning of the European Union
Article 291	Article 291	Article 343
Article 292	Article 292	Article 344
Article 293 (repealed)		
Article 294 (moved)	<i>Article 48a</i>	<i>Article 55</i>
Article 295	Article 295	Article 345
Article 296	Article 296	Article 346
Article 297	Article 297	Article 347
Article 298	Article 298	Article 348
Article 299, paragraph 1 (repealed) ¹		
Article 299, paragraph 2, second, third and fourth subparagraphs	Article 299	Article 349
Article 299, paragraph 2, first subparagraph, and paragraphs 3 to 6 (moved)	<i>Article 311a</i>	<i>Article 355</i>
Article 300 (replaced)	<i>Article 188 N</i>	<i>Article 218</i>
Article 301 (replaced)	<i>Article 188 K</i>	<i>Article 215</i>
Article 302 (replaced)	<i>Article 188 P</i>	<i>Article 220</i>
Article 303 (replaced)	<i>Article 188 P</i>	<i>Article 220</i>
Article 304 (replaced)	<i>Article 188 P</i>	<i>Article 220</i>
Article 305 (repealed)		
Article 306	Article 306	Article 350
Article 307	Article 307	Article 351
Article 308	Article 308	Article 352
	Article 308a	Article 353
Article 309	Article 309	Article 354
Article 310 (moved)	<i>Article 188 M</i>	<i>Article 217</i>
Article 311 (repealed) ²		
<i>Article 299, paragraph 2, first subparagraph, and paragraphs 3 to 6 (moved)</i>	Article 311a	Article 355
Article 312	Article 312	Article 356
Final Provisions		
Article 313	Article 313	Article 357
	Article 313a	Article 358
Article 314 (repealed) ³		

¹ Replaced, in substance by Article 49 C TEU (renumbered 52)

² Replaced, in substance by Article 49 B TEU (renumbered 51)

³ Replaced, in substance by Article 53 TEU (renumbered 55)

FINAL ACT

THE CONFERENCE OF THE REPRESENTATIVES OF THE GOVERNMENTS OF THE MEMBER STATES, convened in Brussels on 23 July 2007 to adopt by common accord the amendments to be made to the Treaty on European Union, the Treaty establishing the European Community, and to the Treaty establishing the European Atomic Energy Community, has adopted the following texts:

- I. The Treaty of Lisbon amending the Treaty on European Union and the Treaty establishing the European Community
- II. Protocols
 - A. Protocols annexed to the Treaty on European Union, to the Treaty establishing the European Community, and/or the Treaty establishing the European Atomic Energy Community:
 - Protocol on the role of national Parliaments in the European Union
 - Protocol on the application of the principles of subsidiarity and proportionality
 - Protocol on the Euro Group
 - Protocol on permanent structured cooperation established by Article 28 A of the Treaty on European Union
 - Protocol relating to Article 6(2) of the Treaty on European Union on the accession of the Union to the European Convention on the Protection of Human Rights and Fundamental Freedoms
 - Protocol on the internal market and competition
 - Protocol on the application of the Charter of Fundamental Rights of the European Union to Poland and to the United Kingdom
 - Protocol on the exercise of shared competence
 - Protocol on services of general interest
 - Protocol on the Decision of the Council relating to the implementation of Article 9 C(4) of the Treaty on European Union and Article 205(2) of the Treaty on the Functioning of the European Union

Union between 1 November 2014 and 31 March 2017 on the one hand, and as from 1 April 2017 on the other

- Protocol on transitional provisions

B. Protocols annexed to the Treaty of Lisbon

- Protocol No 1 amending the Protocols annexed to the Treaty on European Union, to the Treaty establishing the European Community and/or to the Treaty establishing the European Atomic Energy Community
- Tables of equivalences referred to in Article 2 of Protocol No 1 amending the protocols annexed to the Treaty on European Union, to the Treaty establishing the European Community and/or the Treaty establishing the European Atomic Energy Community
- Protocol No 2 amending the Treaty establishing the European Atomic Energy Community

III. Annexe to the Treaty of Lisbon:

- Tables of equivalences referred to in Article 5 of the Treaty of Lisbon

The Conference has adopted the following declarations annexed to this Final Act.

A. Declarations concerning provisions of the Treaties

1. Declaration concerning the Charter of Fundamental Rights of the European Union
2. Declaration on Article 6(2) of the Treaty on European Union
3. Declaration on Article 7a of the Treaty on European Union
4. Declaration on the composition of the European Parliament
5. Declaration on the political agreement by the European Council concerning the draft Decision on the composition of the European Parliament
6. Declaration on Articles 9 B(5) and (6), Articles 9 D(6) and (7), and Article 9 E of the Treaty on European Union

7. Declaration on Article 9 C(4) of the Treaty on European Union and Article 205(2) of the Treaty on the Functioning of the European Union
8. Declaration on practical measures to be taken upon the entry into force of the Treaty of Lisbon as regards the Presidency of the European Council and of the Foreign Affairs Council
9. Declaration on Article 9 C(9) of the Treaty on European Union concerning the European Council decision on the exercise of the Presidency of the Council
10. Declaration on Article 9 D of the Treaty on European Union
11. Declaration on Article 9 D(6) and (7) of the Treaty on European Union
12. Declaration on Article 9 E of the Treaty on European Union
13. Declaration concerning the common foreign and security policy
14. Declaration concerning the common foreign and security policy
15. Declaration on Article 13a of the Treaty on European Union
16. Declaration on Article 53(2) of the Treaty on European Union
17. Declaration concerning primacy
18. Declaration in relation to the delimitation of competences
19. Declaration on Article 3 of the Treaty on the Functioning of the European Union
20. Declaration on Article 16 B of the Treaty on the Functioning of the European Union
21. Declaration on the protection of personal data in the fields of judicial cooperation in criminal matters and police cooperation
22. Declaration on Articles 42 and 63a of the Treaty on the Functioning of the European Union
23. Declaration on the second paragraph of Article 42 of the Treaty on the Functioning of the European Union

24. Declaration concerning the legal personality of the European Union
25. Declaration on Articles 61 H and 188 K of the Treaty on the Functioning of the European Union
26. Declaration on non-participation by a Member State in a measure based on Title IV of Part Three of the Treaty on the Functioning of the European Union
27. Declaration on Article 69 D(1), second subparagraph, of the Treaty on the Functioning of the European Union
28. Declaration on Article 78 of the Treaty on the Functioning of the European Union
29. Declaration on Article 87(2)(c) of the Treaty on the Functioning of the European Union
30. Declaration on Article 104 of the Treaty on the Functioning of the European Union
31. Declaration on Article 140 of the Treaty on the Functioning of the European Union
32. Declaration on Article 152(4)(c) of the Treaty on the Functioning of the European Union
33. Declaration on Article 158 of the Treaty on the Functioning of the European Union
34. Declaration on Article 163 of the Treaty on the Functioning of the European Union
35. Declaration on Article 176 A of the Treaty on the Functioning of the European Union
36. Declaration on Article 188 N of the Treaty on the Functioning of the European Union concerning the negotiation and conclusion of international agreements by Member States relating to the area of freedom, security and justice
37. Declaration on Article 188 R of the Treaty on the Functioning of the European Union

38. Declaration on Article 222 of the Treaty on the Functioning of the European Union regarding the number of Advocates-General in the Court of Justice
39. Declaration on Article 249 B of the Treaty on the Functioning of the European Union
40. Declaration on Article 280 D of the Treaty on the Functioning of the European Union
41. Declaration on Article 308 of the Treaty on the Functioning of the European Union
42. Declaration on Article 308 of the Treaty on the Functioning of the European Union
43. Declaration on Article 311a(6) of the Treaty on the Functioning of the European Union

B. Declarations concerning Protocols annexed to the Treaties

44. Declaration on Article 5 of the Protocol on the Schengen *acquis* integrated into the framework of the European Union
45. Declaration on Article 5(2) of the Protocol on the Schengen *acquis* integrated into the framework of the European Union
46. Declaration on Article 5(3) of the Protocol on the Schengen *acquis* integrated into the framework of the European Union
47. Declaration on Article 5(3), (4) and (5) of the Protocol on the Schengen *acquis* integrated into the framework of the European Union
48. Declaration concerning the Protocol on the position of Denmark
49. Declaration concerning Italy
50. Declaration concerning Article 10 of the Protocol on transitional provisions

Furthermore, the Conference has noted the declarations listed hereafter and annexed to this Final Act:

51. Declaration by the Kingdom of Belgium on national Parliaments
52. Declaration by the Kingdom of Belgium, the Republic of Bulgaria, the Federal Republic of Germany, the Hellenic Republic, the Kingdom of Spain, the Italian Republic, the Republic of Cyprus, the Republic of Lithuania, the Grand-Duchy of Luxembourg, the Republic of Hungary, the Republic of Malta, the Republic of Austria, the Portuguese Republic, Romania, the Republic of Slovenia, and the Slovak Republic on the symbols of the European Union
53. Declaration by the Czech Republic on the Charter of Fundamental Rights of the European Union
54. Declaration by the Federal Republic of Germany, Ireland, the Republic of Hungary, the Republic of Austria and the Kingdom of Sweden
55. Declaration by the Kingdom of Spain and the United Kingdom of Great Britain and Northern Ireland
56. Declaration by Ireland on Article 3 of the Protocol on the position of the United Kingdom and Ireland in respect of the area of freedom, security and justice
57. Declaration by the Italian Republic on the composition of the European Parliament
58. Declaration by the Republic of Latvia, the Republic of Hungary and the Republic of Malta on the spelling of the name of the single currency in the Treaties
59. Declaration by the Kingdom of the Netherlands on Article 270a of the Treaty on the Functioning of the European Union
60. Declaration by the Kingdom of the Netherlands on Article 311a of the Treaty on the Functioning of the European Union
61. Declaration by the Republic of Poland on the Charter of Fundamental Rights of the European Union

62. Declaration by the Republic of Poland concerning the Protocol on the application of the Charter of Fundamental Rights of the European Union in relation to Poland and the United Kingdom
63. Declaration by the United Kingdom of Great Britain and Northern Ireland on the definition of the term "nationals"
64. Declaration by the United Kingdom of Great Britain and Northern Ireland on the franchise for elections to the European Parliament
65. Declaration by the United Kingdom of Great Britain and Northern Ireland on Article 61 H of the Treaty on the Functioning of the European Union

Done at Lisbon, this thirteenth day of December in the year two thousand and seven.

A. DECLARATIONS CONCERNING PROVISIONS OF THE TREATIES

1. Declaration concerning the Charter of Fundamental Rights of the European Union

The Charter of Fundamental Rights of the European Union, which has legally binding force, confirms the fundamental rights guaranteed by the European Convention for the Protection of Human Rights and Fundamental Freedoms and as they result from the constitutional traditions common to the Member States.

The Charter does not extend the field of application of Union law beyond the powers of the Union or establish any new power or task for the Union, or modify powers and tasks as defined by the Treaties.

2. Declaration on Article 6(2) of the Treaty on European Union

The Conference agrees that the Union's accession to the European Convention for the Protection of Human Rights and Fundamental Freedoms should be arranged in such a way as to preserve the specific features of Union law. In this connection, the Conference notes the existence of a regular dialogue between the Court of Justice of the European Union and the European Court of Human Rights; such dialogue could be reinforced when the Union accedes to that Convention.

3. Declaration on Article 7a of the Treaty on European Union

The Union will take into account the particular situation of small-sized countries which maintain specific relations of proximity with it.

4. Declaration on the composition of the European Parliament

The additional seat in the European Parliament will be attributed to Italy.

5. Declaration on the political agreement by the European Council concerning the draft Decision on the composition of the European Parliament

The European Council will give its political agreement on the revised draft Decision on the composition of the European Parliament for the legislative period 2009-2014, based on the proposal from the European Parliament.

6. Declaration on Article 9 B(5) and (6), Article 9 D(6) and (7) and Article 9 E of the Treaty on European Union

In choosing the persons called upon to hold the offices of President of the European Council, President of the Commission and High Representative of the Union for Foreign Affairs and Security Policy, due account is to be taken of the need to respect the geographical and demographic diversity of the Union and its Member States.

7. Declaration on Article 9 C(4) of the Treaty on European Union and Article 205(2) of the Treaty on the Functioning of the European Union

The Conference declares that the decision relating to the implementation of Article 9 C(4) of the Treaty on European Union and Article 205(2) of the Treaty on the Functioning of the European Union will be adopted by the Council on the date of the signature of the Treaty of Lisbon and will enter into force on the day that Treaty enters into force. The draft decision is set out below:

Draft decision of the Council
relating to the implementation of Article 9 C(4) of the Treaty on European Union and Article 205(2) of the Treaty on the Functioning of the European Union between 1 November 2014 and 31 March 2017 on the one hand, and as from 1 April 2017 on the other

THE COUNCIL OF THE EUROPEAN UNION,

Whereas:

- (1) Provisions should be adopted allowing for a smooth transition from the system for decision-making in the Council by a qualified majority as defined in Article 3(3) of the Protocol on the transitional provisions, which will continue to apply until 31 October 2014, to the voting system provided for in Article 9 C(4) of the Treaty on European Union and Article 205(2) of the Treaty on the Functioning of the European Union, which will apply with effect from 1 November 2014, including, during a transitional period until 31 March 2017, specific provisions laid down in Article 3(2) of that Protocol.
- (2) It is recalled that it is the practice of the Council to devote every effort to strengthening the democratic legitimacy of decisions taken by a qualified majority,

HAS DECIDED AS FOLLOWS:

Section 1
Provisions to be applied from 1 November 2014 to 31 March 2017

ARTICLE 1

From 1 November 2014 to 31 March 2017, if members of the Council, representing:

- (a) at least three quarters of the population, or
- (b) at least three quarters of the number of Member States

necessary to constitute a blocking minority resulting from the application of Article 9 C(4), first subparagraph, of the Treaty on European Union or Article 205(2) of the Treaty on the Functioning of the European Union, indicate their opposition to the Council adopting an act by a qualified majority, the Council shall discuss the issue.

ARTICLE 2

The Council shall, in the course of these discussions, do all in its power to reach, within a reasonable time and without prejudicing obligatory time limits laid down by Union law, a satisfactory solution to address concerns raised by the members of the Council referred to in Article 1.

ARTICLE 3

To this end, the President of the Council, with the assistance of the Commission and in compliance with the Rules of Procedure of the Council, shall undertake any initiative necessary to facilitate a wider basis of agreement in the Council. The members of the Council shall lend him or her their assistance.

Section 2
Provisions to be applied as from 1 April 2017

ARTICLE 4

As from 1 April 2017, if members of the Council, representing:

- (a) at least 55 % of the population, or
- (b) at least 55 % of the number of Member States

necessary to constitute a blocking minority resulting from the application of Article 9 C(4), first subparagraph, of the Treaty on European Union or Article 205(2) of the

Treaty on the Functioning of the European Union, indicate their opposition to the Council adopting an act by a qualified majority, the Council shall discuss the issue.

ARTICLE 5

The Council shall, in the course of these discussions, do all in its power to reach, within a reasonable time and without prejudicing obligatory time limits laid down by Union law, a satisfactory solution to address concerns raised by the members of the Council referred to in Article 4.

ARTICLE 6

To this end, the President of the Council, with the assistance of the Commission and in compliance with the Rules of Procedure of the Council, shall undertake any initiative necessary to facilitate a wider basis of agreement in the Council. The members of the Council shall lend him or her their assistance.

Section 3 Entry into force

ARTICLE 7

This Decision shall enter into force on the date of the entry into force of the Treaty of Lisbon.

8. Declaration on practical measures to be taken upon the entry into force of the Treaty of Lisbon as regards the Presidency of the European Council and of the Foreign Affairs Council

In the event that the Treaty of Lisbon enters into force later than 1 January 2009, the Conference requests the competent authorities of the Member State holding the six-monthly Presidency of the Council at that time, on the one hand, and the person elected President of the European Council and the person appointed High Representative of the Union for Foreign Affairs and Security Policy, on the other hand, to take the necessary specific measures, in consultation with the following six-monthly Presidency, to allow an efficient handover of the material and organisational aspects of the Presidency of the European Council and of the Foreign Affairs Council.

9. Declaration on Article 9 C(9) of the Treaty on European Union concerning the European Council decision on the exercise of the Presidency of the Council

The Conference declares that the Council should begin preparing the decision establishing the procedures for implementing the decision on the exercise of the

Presidency of the Council as soon as the Treaty of Lisbon is signed, and should give its political approval within six months. A draft decision of the European Council, which will be adopted on the date of entry into force of the said Treaty, is set out below:

Draft decision of the European Council
on the exercise of the Presidency of the Council

ARTICLE 1

1. The Presidency of the Council, with the exception of the Foreign Affairs configuration, shall be held by pre-established groups of three Member States for a period of 18 months. The groups shall be made up on a basis of equal rotation among the Member States, taking into account their diversity and geographical balance within the Union.

2. Each member of the group shall in turn chair for a six-month period all configurations of the Council, with the exception of the Foreign Affairs configuration. The other members of the group shall assist the Chair in all its responsibilities on the basis of a common programme. Members of the team may decide alternative arrangements among themselves.

ARTICLE 2

The Committee of Permanent Representatives of the Governments of the Member States shall be chaired by a representative of the Member State chairing the General Affairs Council.

The Chair of the Political and Security Committee shall be held by a representative of the High Representative of the Union for Foreign Affairs and Security Policy.

The chair of the preparatory bodies of the various Council configurations, with the exception of the Foreign Affairs configuration, shall fall to the member of the group chairing the relevant configuration, unless decided otherwise in accordance with Article 4.

ARTICLE 3

The General Affairs Council shall ensure consistency and continuity in the work of the different Council configurations in the framework of multiannual programmes in cooperation with the Commission. The Member States holding the Presidency shall take all necessary measures for the organisation and smooth operation of the Council's work, with the assistance of the General Secretariat of the Council.

ARTICLE 4

The Council shall adopt a decision establishing the measures for the implementation of this decision.

10. Declaration on Article 9 D of the Treaty on European Union

The Conference considers that when the Commission no longer includes nationals of all Member States, the Commission should pay particular attention to the need to ensure full transparency in relations with all Member States. Accordingly, the Commission should liaise closely with all Member States, whether or not they have a national serving as member of the Commission, and in this context pay special attention to the need to share information and consult with all Member States.

The Conference also considers that the Commission should take all the necessary measures to ensure that political, social and economic realities in all Member States, including those which have no national serving as member of the Commission, are fully taken into account. These measures should include ensuring that the position of those Member States is addressed by appropriate organisational arrangements.

11. Declaration on Article 9 D(6) and (7) of the Treaty on European Union

The Conference considers that, in accordance with the provisions of the Treaties, the European Parliament and the European Council are jointly responsible for the smooth running of the process leading to the election of the President of the European Commission. Prior to the decision of the European Council, representatives of the European Parliament and of the European Council will thus conduct the necessary consultations in the framework deemed the most appropriate. These consultations will focus on the backgrounds of the candidates for President of the Commission, taking account of the elections to the European Parliament, in accordance with the first subparagraph of Article 9 D(7). The arrangements for such consultations may be determined, in due course, by common accord between the European Parliament and the European Council.

12. Declaration on Article 9 E of the Treaty on European Union

1. The Conference declares that, in the course of the preparatory work preceding the appointment of the High Representative of the Union for Foreign Affairs and Security Policy which is due to take place on the date of entry into force of the Treaty of Lisbon in accordance with Article 9 E of the Treaty on European Union and Article 5 of the Protocol on transitional provisions and whose term of office will be from that

date until the end of the term of office of the Commission in office on that date, appropriate contacts will be made with the European Parliament.

2. Furthermore, the Conference recalls that, as regards the High Representative of the Union for Foreign Affairs and Security Policy whose term of office will start in November 2009 at the same time and for the same duration as the next Commission, he or she will be appointed in accordance with the provisions of Articles 9 D and 9 E of the Treaty on European Union.

13. Declaration concerning the common foreign and security policy

The Conference underlines that the provisions in the Treaty on European Union covering the Common Foreign and Security Policy, including the creation of the office of High Representative of the Union for Foreign Affairs and Security Policy and the establishment of an External Action Service, do not affect the responsibilities of the Member States, as they currently exist, for the formulation and conduct of their foreign policy nor of their national representation in third countries and international organisations.

The Conference also recalls that the provisions governing the Common Security and Defence Policy do not prejudice the specific character of the security and defence policy of the Member States.

It stresses that the European Union and its Member States will remain bound by the provisions of the Charter of the United Nations and, in particular, by the primary responsibility of the Security Council and of its Members for the maintenance of international peace and security.

14. Declaration concerning the common foreign and security policy

In addition to the specific rules and procedures referred to in paragraph 1 of Article 11 of the Treaty on European Union, the Conference underlines that the provisions covering the Common Foreign and Security Policy including in relation to the High Representative of the Union for Foreign Affairs and Security Policy and the External Action Service will not affect the existing legal basis, responsibilities, and powers of each Member State in relation to the formulation and conduct of its foreign policy, its national diplomatic service, relations with third countries and participation in international organisations, including a Member State's membership of the Security Council of the United Nations.

The Conference also notes that the provisions covering the Common Foreign and Security Policy do not give new powers to the Commission to initiate decisions nor do they increase the role of the European Parliament.

The Conference also recalls that the provisions governing the Common Security and Defence Policy do not prejudice the specific character of the security and defence policy of the Member States.

15. Declaration on Article 13a of the Treaty on European Union

The Conference declares that, as soon as the Treaty of Lisbon is signed, the Secretary-General of the Council, High Representative for the common foreign and security policy, the Commission and the Member States should begin preparatory work on the European External Action Service.

16. Declaration on Article 53(2) of the Treaty on European Union

The Conference considers that the possibility of producing translations of the Treaties in the languages mentioned in Article 53(2) contributes to fulfilling the objective of respecting the Union's rich cultural and linguistic diversity as set forth in the fourth subparagraph of Article 2(3). In this context, the Conference confirms the attachment of the Union to the cultural diversity of Europe and the special attention it will continue to pay to these and other languages.

The Conference recommends that those Member States wishing to avail themselves of the possibility recognised in Article 53(2) communicate to the Council, within six months from the date of the signature of the Treaty of Lisbon, the language or languages into which translations of the Treaties will be made.

17. Declaration concerning primacy

The Conference recalls that, in accordance with well settled case law of the Court of Justice of the European Union, the Treaties and the law adopted by the Union on the basis of the Treaties have primacy over the law of Member States, under the conditions laid down by the said case law.

The Conference has also decided to attach as an Annex to this Final Act the Opinion of the Council Legal Service on the primacy of EC law as set out in 11197/07 (JUR 260):

*"Opinion of the Council Legal Service
of 22 June 2007*

It results from the case-law of the Court of Justice that primacy of EC law is a cornerstone principle of Community law. According to the Court, this principle is inherent to the specific nature of the European Community. At the time of the first

judgment of this established case law (Costa/ENEL, 15 July 1964, Case 6/64)¹ there was no mention of primacy in the treaty. It is still the case today. The fact that the principle of primacy will not be included in the future treaty shall not in any way change the existence of the principle and the existing case-law of the Court of Justice."

18. Declaration in relation to the delimitation of competences

The Conference underlines that, in accordance with the system of division of competences between the Union and the Member States as provided for in the Treaty on European Union and the Treaty on the Functioning of the European Union, competences not conferred upon the Union in the Treaties remain with the Member States.

When the Treaties confer on the Union a competence shared with the Member States in a specific area, the Member States shall exercise their competence to the extent that the Union has not exercised, or has decided to cease exercising, its competence. The latter situation arises when the relevant EU institutions decide to repeal a legislative act, in particular better to ensure constant respect for the principles of subsidiarity and proportionality. The Council may, at the initiative of one or several of its members (representatives of Member States) and in accordance with Article 208 of the Treaty on the Functioning of the European Union, request the Commission to submit proposals for repealing a legislative act. The Conference welcomes the Commission's declaration that it will devote particular attention to these requests.

Equally, the representatives of the governments of the Member States, meeting in an Intergovernmental Conference, in accordance with the ordinary revision procedure provided for in Article 48(2) to (5) of the Treaty on European Union, may decide to amend the Treaties upon which the Union is founded, including either to increase or to reduce the competences conferred on the Union in the said Treaties.

19. Declaration on Article 3 of the Treaty on the Functioning of the European Union

The Conference agrees that, in its general efforts to eliminate inequalities between women and men, the Union will aim in its different policies to combat all kinds of domestic violence. The Member States should take all necessary measures to prevent and punish these criminal acts and to support and protect the victims.

¹ "It follows (...) that the law stemming from the treaty, an independent source of law, could not, because of its special and original nature, be overridden by domestic legal provisions, however framed, without being deprived of its character as Community law and without the legal basis of the Community itself being called into question."

20. Declaration on Article 16 B of the Treaty on the Functioning of the European Union

The Conference declares that, whenever rules on protection of personal data to be adopted on the basis of Article 16 B could have direct implications for national security, due account will have to be taken of the specific characteristics of the matter. It recalls that the legislation presently applicable (see in particular Directive 95/46/EC) includes specific derogations in this regard.

21. Declaration on the protection of personal data in the fields of judicial cooperation in criminal matters and police cooperation

The Conference acknowledges that specific rules on the protection of personal data and the free movement of such data in the fields of judicial cooperation in criminal matters and police cooperation based on Article 16 B of the Treaty on the Functioning of the European Union may prove necessary because of the specific nature of these fields.

22. Declaration on Articles 42 and 63a of the Treaty on the Functioning of the European Union

The Conference considers that in the event that a draft legislative act based on Article 69 A(2) would affect important aspects of the social security system of a Member State, including its scope, cost or financial structure, or would affect the financial balance of that system as set out in the second paragraph of Article 42, the interests of that Member State will be duly taken into account.

23. Declaration on the second paragraph of Article 42 of the Treaty on the Functioning of the European Union

The Conference recalls that in that case, in accordance with Article 9 B(4) of the Treaty on European Union, the European Council acts by consensus.

24. Declaration concerning the legal personality of the European Union

The Conference confirms that the fact that the European Union has a legal personality will not in any way authorise the Union to legislate or to act beyond the competences conferred upon it by the Member States in the Treaties.

25. Declaration on Articles 61 H and 188 K of the Treaty on the Functioning of the European Union

The Conference recalls that the respect for fundamental rights and freedoms implies, in particular, that proper attention is given to the protection and observance of the due process rights of the individuals or entities concerned. For this purpose and in order to guarantee a thorough judicial review of decisions subjecting an individual or entity to restrictive measures, such decisions must be based on clear and distinct criteria. These criteria should be tailored to the specifics of each restrictive measure.

26. Declaration on non-participation by a Member State in a measure based on Title IV of Part Three of the Treaty on the Functioning of the European Union

The Conference declares that, where a Member State opts not to participate in a measure based on Title IV of Part Three of the Treaty on the Functioning of the European Union, the Council will hold a full discussion on the possible implications and effects of that Member State's non-participation in the measure.

In addition, any Member State may ask the Commission to examine the situation on the basis of Article 96 of the Treaty on the Functioning of the European Union.

The above paragraphs are without prejudice to the entitlement of a Member State to refer the matter to the European Council.

27. Declaration on Article 69 D(1), second subparagraph, of the Treaty on the Functioning of the European Union

The Conference considers that the regulations referred to in the second subparagraph of Article 69 D(1) of the Treaty on the Functioning of the European Union should take into account national rules and practices relating to the initiation of criminal investigations.

28. Declaration on Article 78 of the Treaty on the Functioning of the European Union

The Conference notes that the provisions of Article 78 shall be applied in accordance with the current practice. The terms "such measures are required in order to compensate for the economic disadvantages caused by the division of Germany to the economy of certain areas of the Federal Republic affected by that division" shall be interpreted in accordance with the existing case law of the Court of Justice of the European Union.

29. Declaration on Article 87(2)(c) of the Treaty on the Functioning of the European Union

The Conference notes that Article 87(2)(c) shall be interpreted in accordance with the existing case law of the Court of Justice of the European Union regarding the applicability of the provisions to aid granted to certain areas of the Federal Republic of Germany affected by the former division of Germany.

30. Declaration on Article 104 of the Treaty on the Functioning of the European Union

With regard to Article 104, the Conference confirms that raising growth potential and securing sound budgetary positions are the two pillars of the economic and fiscal policy of the Union and the Member States. The Stability and Growth Pact is an important tool to achieve these goals.

The Conference reaffirms its commitment to the provisions concerning the Stability and Growth Pact as the framework for the coordination of budgetary policies in the Member States.

The Conference confirms that a rule-based system is the best guarantee for commitments to be enforced and for all Member States to be treated equally.

Within this framework, the Conference also reaffirms its commitment to the goals of the Lisbon Strategy: job creation, structural reforms, and social cohesion.

The Union aims at achieving balanced economic growth and price stability. Economic and budgetary policies thus need to set the right priorities towards economic reforms, innovation, competitiveness and strengthening of private investment and consumption in phases of weak economic growth. This should be reflected in the orientations of budgetary decisions at the national and Union level in particular through restructuring of public revenue and expenditure while respecting budgetary discipline in accordance with the Treaties and the Stability and Growth Pact.

Budgetary and economic challenges facing the Member States underline the importance of sound budgetary policy throughout the economic cycle.

The Conference agrees that Member States should use periods of economic recovery actively to consolidate public finances and improve their budgetary positions. The objective is to gradually achieve a budgetary surplus in good times which creates the necessary room to accommodate economic downturns and thus contribute to the long-term sustainability of public finances.

The Member States look forward to possible proposals of the Commission as well as further contributions of Member States with regard to strengthening and clarifying the implementation of the Stability and Growth Pact. The Member States will take all necessary measures to raise the growth potential of their economies. Improved economic policy coordination could support this objective. This Declaration does not prejudge the future debate on the Stability and Growth Pact.

31. Declaration on Article 140 of the Treaty on the Functioning of the European Union

The Conference confirms that the policies described in Article 140 fall essentially within the competence of the Member States. Measures to provide encouragement and promote coordination to be taken at Union level in accordance with this Article shall be of a complementary nature. They shall serve to strengthen cooperation between Member States and not to harmonise national systems. The guarantees and practices existing in each Member State as regards the responsibility of the social partners will not be affected.

This Declaration is without prejudice to the provisions of the Treaties conferring competence on the Union, including in social matters.

32. Declaration on Article 152(4)(c) of the Treaty on the Functioning of the European Union

The Conference declares that the measures to be adopted pursuant to Article 152(4)(c) must meet common safety concerns and aim to set high standards of quality and safety where national standards affecting the internal market would otherwise prevent a high level of human health protection being achieved.

33. Declaration on Article 158 of the Treaty on the Functioning of the European Union

The Conference considers that the reference in Article 158 to island regions can include island States in their entirety, subject to the necessary criteria being met.

34. Declaration on Article 163 of the Treaty on the Functioning of the European Union

The Conference agrees that the Union's action in the area of research and technological development will pay due respect to the fundamental orientations and choices of the research policies of the Member States.

35. Declaration on Article 176 A of the Treaty on the Functioning of the European Union

The Conference believes that Article 176 A does not affect the right of the Member States to take the necessary measures to ensure their energy supply under the conditions provided for in Article 297.

36. Declaration on Article 188 N of the Treaty on the Functioning of the European Union concerning the negotiation and conclusion of international agreements by Member States relating to the area of freedom, security and justice

The Conference confirms that Member States may negotiate and conclude agreements with third countries or international organisations in the areas covered by Chapters 3, 4 and 5 of Title IV of Part Three insofar as such agreements comply with Union law.

37. Declaration on Article 188 R of the Treaty on the Functioning of the European Union

Without prejudice to the measures adopted by the Union to comply with its solidarity obligation towards a Member State which is the object of a terrorist attack or the victim of natural or man-made disaster, none of the provisions of Article 188 R is intended to affect the right of another Member State to choose the most appropriate means to comply with its own solidarity obligation towards that Member State.

38. Declaration on Article 222 of the Treaty on the Functioning of the European Union regarding the number of Advocates-General in the Court of Justice

The Conference declares that if, in accordance with Article 222, first paragraph, of the Treaty on the Functioning of the European Union, the Court of Justice requests that the number of Advocates-General be increased by three (eleven instead of eight), the Council will, acting unanimously, agree on such an increase.

In that case, the Conference agrees that Poland will, as is already the case for Germany, France, Italy, Spain and the United Kingdom, have a permanent Advocate-General and no longer take part in the rotation system, while the existing rotation system will involve the rotation of five Advocates-General instead of three.

39. Declaration on Article 249 B of the Treaty on the Functioning of the European Union

The Conference takes note of the Commission's intention to continue to consult experts appointed by the Member States in the preparation of draft delegated acts in the financial services area, in accordance with its established practice.

40. Declaration on Article 280 D of the Treaty on the Functioning of the European Union

The Conference declares that Member States may indicate, when they make a request to establish enhanced cooperation, if they intend already at that stage to make use of Article 280 H providing for the extension of qualified majority voting or to have recourse to the ordinary legislative procedure.

41. Declaration on Article 308 of the Treaty on the Functioning of the European Union

The Conference declares that the reference in Article 308(1) of the Treaty on the Functioning of the European Union to objectives of the Union refers to the objectives as set out in Article 2(2) and (3) of the Treaty on European Union and to the objectives of Article 3(5) of the said Treaty with respect to external action under Part Five of the Treaty on the Functioning of the European Union. It is therefore excluded that an action based on Article 308 of the Treaty on the Functioning of the European Union would only pursue objectives set out in Article 2(1) of the Treaty on European Union. In this connection, the Conference notes that in accordance with Article 15b(1) of the Treaty on European Union, legislative acts may not be adopted in the area of the Common Foreign and Security Policy.

42. Declaration on Article 308 of the Treaty on the Functioning of the European Union

The Conference underlines that, in accordance with the settled case law of the Court of Justice of the European Union, Article 308 of the Treaty on the Functioning of the European Union, being an integral part of an institutional system based on the principle of conferred powers, cannot serve as a basis for widening the scope of Union powers beyond the general framework created by the provisions of the Treaties as a whole and, in particular, by those that define the tasks and the activities of the Union. In any event, this Article cannot be used as a basis for the adoption of provisions whose effect would, in substance, be to amend the Treaties without following the procedure which they provide for that purpose.

43. Declaration on Article 311a(6) of the Treaty on the Functioning of the European Union

The High Contracting Parties agree that the European Council, pursuant to Article 311a(6), will take a decision leading to the modification of the status of Mayotte with regard to the Union in order to make this territory an outermost region within the meaning of Article 311a(1) and Article 299, when the French authorities notify the European Council and the Commission that the evolution currently under way in the internal status of the island so allows.

B. DECLARATIONS CONCERNING PROTOCOLS ANNEXED TO THE TREATIES

44. Declaration on Article 5 of the Protocol on the Schengen *acquis* integrated into the framework of the European Union

The Conference notes that where a Member State has made a notification under Article 5(2) of the Protocol on the Schengen *acquis* integrated into the framework of the European Union that it does not wish to take part in a proposal or initiative, that notification may be withdrawn at any moment before the adoption of the measure building upon the Schengen *acquis*.

45. Declaration on Article 5(2) of the Protocol on the Schengen *acquis* integrated into the framework of the European Union

The Conference declares that whenever the United Kingdom or Ireland indicates to the Council its intention not to participate in a measure building upon a part of the Schengen *acquis* in which it participates, the Council will have a full discussion on the possible implications of the non-participation of that Member State in that measure. The discussion within the Council should be conducted in the light of the indications given by the Commission concerning the relationship between the proposal and the Schengen *acquis*.

46. Declaration on Article 5(3) of the Protocol on the Schengen *acquis* integrated into the framework of the European Union

The Conference recalls that if the Council does not take a decision after a first substantive discussion of the matter, the Commission may present an amended proposal for a further substantive re-examination by the Council within the deadline of 4 months.

47. Declaration on Article 5(3), (4) and (5) of the Protocol on the Schengen *acquis* integrated into the framework of the European Union

The Conference notes that the conditions to be determined in the decision referred to in paragraphs 3, 4 or 5 of Article 5 of the Protocol on the Schengen *acquis* integrated into the framework of the European Union may determine that the Member State concerned shall bear the direct financial consequences, if any, necessarily and unavoidably incurred as a result of the cessation of its participation in some or all of the *acquis* referred to in any decision taken by the Council pursuant to Article 4 of the said Protocol.

48. Declaration concerning the Protocol on the position of Denmark

The Conference notes that with respect to legal acts to be adopted by the Council acting alone or jointly with the European Parliament and containing provisions applicable to Denmark as well as provisions not applicable to Denmark because they have a legal basis to which Part I of the Protocol on the position of Denmark applies, Denmark declares that it will not use its voting right to prevent the adoption of the provisions which are not applicable to Denmark.

Furthermore, the Conference notes that on the basis of the Declaration by the Conference on Article 188 R, Denmark declares that Danish participation in actions or legal acts pursuant to Article 188 R will take place in accordance with Part I and Part II of the Protocol on the position of Denmark.

49. Declaration concerning Italy

The Conference notes that the Protocol on Italy annexed in 1957 to the Treaty establishing the European Economic Community, as amended upon adoption of the Treaty on European Union, stated that:

"THE HIGH CONTRACTING PARTIES,

DESIRING to settle certain particular problems relating to Italy,

HAVE AGREED UPON the following provisions, which shall be annexed to this Treaty:

THE MEMBER STATES OF THE COMMUNITY

TAKE NOTE of the fact that the Italian Government is carrying out a ten-year programme of economic expansion designed to rectify the disequilibria in the structure of the Italian economy, in particular by providing an infrastructure for the less developed areas in Southern Italy and in the Italian islands and by creating new jobs in order to eliminate unemployment;

RECALL that the principles and objectives of this programme of the Italian Government have been considered and approved by organisations for international cooperation of which the Member States are members;

RECOGNISE that it is in their common interest that the objectives of the Italian programme should be attained;

AGREE, in order to facilitate the accomplishment of this task by the Italian Government, to recommend to the institutions of the Community that they should employ all the methods and procedures provided in this Treaty and, in particular, make appropriate use of the resources of the European Investment Bank and the European Social Fund;

ARE OF THE OPINION that the institutions of the Community should, in applying this Treaty, take account of the sustained effort to be made by the Italian economy in the coming years and of the desirability of avoiding dangerous stresses in particular within the balance of payments or the level of employment, which might jeopardise the application of this Treaty in Italy;

RECOGNISE that in the event of Articles 109 H and 109 I being applied it will be necessary to take care that any measures required of the Italian Government do not prejudice the completion of its programme for economic expansion and for raising the standard of living of the population."

50. Declaration concerning Article 10 of the Protocol on transitional provisions

The Conference invites the European Parliament, the Council and the Commission, within their respective powers, to seek to adopt, in appropriate cases and as far as possible within the five-year period referred to in Article 10(3) of the Protocol on transitional provisions, legal acts amending or replacing the acts referred to in Article 10(1) of that Protocol.

C. DECLARATIONS BY MEMBER STATES

Furthermore, the Conference has noted the declarations listed hereafter and annexed to this Final Act:

51. Declaration by the Kingdom of Belgium on national Parliaments

Belgium wishes to make clear that, in accordance with its constitutional law, not only the Chamber of Representatives and Senate of the Federal Parliament but also the

parliamentary assemblies of the Communities and the Regions act, in terms of the competences exercised by the Union, as components of the national parliamentary system or chambers of the national Parliament.

52. Declaration by the Kingdom of Belgium, the Republic of Bulgaria, the Federal Republic of Germany, the Hellenic Republic, the Kingdom of Spain, the Italian Republic, the Republic of Cyprus, the Republic of Lithuania, the Grand-Duchy of Luxembourg, the Republic of Hungary, the Republic of Malta, the Republic of Austria, the Portuguese Republic, Romania, the Republic of Slovenia and the Slovak Republic on the symbols of the European Union

Belgium, Bulgaria, Germany, Greece, Spain, Italy, Cyprus, Lithuania, Luxemburg, Hungary, Malta, Austria, Portugal, Romania, Slovenia and the Slovak Republic declare that the flag with a circle of twelve golden stars on a blue background, the anthem based on the "Ode to Joy" from the Ninth Symphony by Ludwig van Beethoven, the motto "United in diversity", the euro as the currency of the European Union and Europe Day on 9 May will for them continue as symbols to express the sense of community of the people in the European Union and their allegiance to it.

53. Declaration by the Czech Republic on the Charter of Fundamental Rights of the European Union

1. The Czech Republic recalls that the provisions of the Charter of Fundamental Rights of the European Union are addressed to the institutions and bodies of the European Union with due regard for the principle of subsidiarity and division of competences between the European Union and its Member States, as reaffirmed in Declaration (No 18) in relation to the delimitation of competences. The Czech Republic stresses that its provisions are addressed to the Member States only when they are implementing Union law, and not when they are adopting and implementing national law independently from Union law.
2. The Czech Republic also emphasises that the Charter does not extend the field of application of Union law and does not establish any new power for the Union. It does not diminish the field of application of national law and does not restrain any current powers of the national authorities in this field.
3. The Czech Republic stresses that, in so far as the Charter recognises fundamental rights and principles as they result from constitutional traditions common to the Member States, those rights and principles are to be interpreted in harmony with those traditions.
4. The Czech Republic further stresses that nothing in the Charter may be interpreted as restricting or adversely affecting human rights and fundamental

freedoms as recognised, in their respective field of application, by Union law and by international agreements to which the Union or all the Member States are party, including the European Convention for the Protection of Human Rights and Fundamental Freedoms, and by the Member States' Constitutions.

54. Declaration by the Federal Republic of Germany, Ireland, the Republic of Hungary, the Republic of Austria and the Kingdom of Sweden

Germany, Ireland, Hungary, Austria and Sweden note that the core provisions of the Treaty establishing the European Atomic Energy Community have not been substantially amended since its entry into force and need to be brought up to date. They therefore support the idea of a Conference of the Representatives of the Governments of the Member States, which should be convened as soon as possible.

55. Declaration by the Kingdom of Spain and the United Kingdom of Great Britain and Northern Ireland

The Treaties apply to Gibraltar as a European territory for whose external relations a Member State is responsible. This shall not imply changes in the respective positions of the Member States concerned.

56. Declaration by Ireland on Article 3 of the Protocol on the position of the United Kingdom and Ireland in respect of the area of freedom, security and justice

Ireland affirms its commitment to the Union as an area of freedom, security and justice respecting fundamental rights and the different legal systems and traditions of the Member States within which citizens are provided with a high level of safety.

Accordingly, Ireland declares its firm intention to exercise its right under Article 3 of the Protocol on the position of the United Kingdom and Ireland in respect of the area of freedom, security and justice to take part in the adoption of measures pursuant to Title IV of Part Three of the Treaty on the Functioning of the European Union to the maximum extent it deems possible.

Ireland will, in particular, participate to the maximum possible extent in measures in the field of police cooperation.

Furthermore, Ireland recalls that in accordance with Article 8 of the Protocol it may notify the Council in writing that it no longer wishes to be covered by the terms of the Protocol. Ireland intends to review the operation of these arrangements within three years of the entry into force of the Treaty of Lisbon.

57. Declaration by the Italian Republic on the composition of the European Parliament

Italy notes that, pursuant to Article 8 A (renumbered Article 10) and Article 9 A (renumbered Article 14) of the Treaty on European Union, the European Parliament is to be composed of representatives of the Union's citizens; this representation is to be degressively proportional.

Italy likewise notes that on the basis of Article 8 (renumbered Article 9) of the Treaty on European Union and Article 17 (renumbered Article 20) of the Treaty on the Functioning of the European Union, every national of a Member State is a citizen of the Union.

Italy therefore considers that, without prejudice to the decision on the 2009/2014 legislative period, any decision adopted by the European Council, at the initiative of the European Parliament and with its consent, establishing the composition of the European Parliament, must abide by the principles laid down out in the first subparagraph of Article 9 A(2) (renumbered Article 14).

58. Declaration by the Republic of Latvia, the Republic of Hungary and the Republic of Malta on the spelling of the name of the single currency in the Treaties

Without prejudice to the unified spelling of the name of the single currency of the European Union referred to in the Treaties as displayed on the banknotes and on the coins, Latvia, Hungary and Malta declare that the spelling of the name of the single currency, including its derivatives as applied throughout the Latvian, Hungarian and Maltese text of the Treaties, has no effect on the existing rules of the Latvian, Hungarian or Maltese languages.

59. Declaration by the Kingdom of the Netherlands on Article 270a of the Treaty on the Functioning of the European Union

The Kingdom of the Netherlands will agree to a decision as referred to in the second subparagraph of Article 270a(2) of the Treaty on the Functioning of the European Union once a revision of the decision referred to in the third paragraph of Article 269 of that Treaty has provided the Netherlands with a satisfactory solution for its excessive negative net payment position vis-à-vis the Union budget.

60. Declaration by the Kingdom of the Netherlands on Article 311a of the Treaty on the Functioning of the European Union

The Kingdom of the Netherlands declares that an initiative for a decision, as referred to in Article 311a(6) aimed at amending the status of the Netherlands Antilles and/or Aruba with regard to the Union, will be submitted only on the basis of a decision taken in conformity with the Charter for the Kingdom of the Netherlands.

61. Declaration by the Republic of Poland on the Charter of Fundamental Rights of the European Union

The Charter does not affect in any way the right of Member States to legislate in the sphere of public morality, family law, as well as the protection of human dignity and respect for human physical and moral integrity.

62. Declaration by the Republic of Poland concerning the Protocol on the application of the Charter of Fundamental Rights of the European Union in relation to Poland and the United Kingdom

Poland declares that, having regard to the tradition of social movement of "Solidarity" and its significant contribution to the struggle for social and labour rights, it fully respects social and labour rights, as established by European Union law, and in particular those reaffirmed in Title IV of the Charter of Fundamental Rights of the European Union.

63. Declaration by the United Kingdom of Great Britain and Northern Ireland on the definition of the term "nationals"

In respect of the Treaties and the Treaty establishing the European Atomic Energy Community, and in any of the acts deriving from those Treaties or continued in force by those Treaties, the United Kingdom reiterates the Declaration it made on 31 December 1982 on the definition of the term "nationals" with the exception that the reference to "British Dependent Territories Citizens" shall be read as meaning "British overseas territories citizens".

64. Declaration by the United Kingdom of Great Britain and Northern Ireland on the franchise for elections to the European Parliament

The United Kingdom notes that Article 9 A of the Treaty on European Union and other provisions of the Treaties are not intended to change the basis for the franchise for elections to the European Parliament.

65. Declaration by the United Kingdom of Great Britain and Northern Ireland on Article 61 H of the Treaty on the Functioning of the European Union

The United Kingdom fully supports robust action with regard to adopting financial sanctions designed to prevent and combat terrorism and related activities. Therefore, the United Kingdom declares that it intends to exercise its right under Article 3 of the Protocol on the position of the United Kingdom and Ireland in respect of the area of freedom, security and justice to take part in the adoption of all proposals made under Article 61 H of the Treaty on the Functioning of the European Union.