

Commentary

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A more effective structure for the Commission

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The changeover in the European Commission in autumn of this year will be one of the key factors that will determine the direction of the European Union for the coming years. The question of who will get what job, how far the European Parliament elections can influence the appointment of the Commission President (and the impact this has on the relationship between EP and the Commission), and what the new focus of the Commission will be in terms of policy priorities will all have a strong influence on EU policy for some time to come.

This is also an opportunity to have another look at the way the Commission is structured. The current structure of the Commission has two fundamental flaws which could be addressed in view of the next political cycle (2014-2019):

- A long standing issue, aggravated by the recent enlargements of the EU, is the number of Commissioners. This increasingly leads to a strong 'silo' mentality, with each member of the college virtually autonomous in their own portfolio's competences, with inter-service consultations and infrequent top-down direction from the Commission President insufficient to break the overall pattern. Eventually this leads to a lack of coherence and focus and in the worst cases can give rise to uncertainty over the overall direction and even create outright contradictions.
- The second flaw is not new but is becoming increasingly difficult to handle: the conflict between the political function of the Commission, taking a role in the overall political direction of the EU, and its role as an independent monitoring/assessment agency, regulator and arbitrator in the application of EU law, for example in areas such as competition policy or in the assessment of member states' budgetary policies. With an increasingly 'political Commission', potentially further reinforced by the link to EP elections made in the Lisbon Treaty, maintaining credibility as an independent actor might be severely challenged in future.

Addressing the first flaw has been discussed for a number of years and EU Treaties have provided for a reduction in the number of Commissioners to enable the Union to cope with successive enlargements. However, it has proved to be impossible to get the political agreement for countries to give up the principle of one Commissioner, at least, per country. Equally, having 'junior' and 'senior' Commissioners in line with similar arrangements in many national governments does not seem to be acceptable to many member states, with some of the smaller states worried that they would perpetually end up with junior posts.

There is however, a way of potentially overcoming these difficulties. This would be through building on the existing structure: creating clusters of Commissioners around Vice-Presidents. This has been discussed for a number of years and was a serious consideration at the appointment of the current Commission. It has recently been raised again in the European Parliament, where MEPs suggested "the establishment of a system of Vice-Presidents of the Commission with responsibilities over major thematic clusters and with competences to coordinate the work of the Commission in the corresponding areas" as a potential option.²

Redistributing Commission portfolios into thematic clusters is challenging, given the overlaps between different policy areas. The structure of the Commission should also mirror the overarching challenges of the EU, such as low growth, social divergence or the continuing need to reform and govern the Eurozone. Annex A proposes how existing portfolios could be grouped thematically, with five new Vice-Presidents covering the following issues: *Solidarity & Cohesion*, *Growth*, *Single Market*, *Citizenship & Mobility* and *Environment & Natural Resources*, resulting in a total number of 33 Commissioners.

See for example A. Missiroli, "The next European Commission: tips for the President-elect', EPC Policy Brief, May 2009, www.epc.eu/documents/uploads/747716379 The%20next%20European%20Commission.pdf

² EPP Group, EP, Press Release, 11.2.2014, <u>www.eppgroup.eu/press-release/EP-electing-EC-President-gives-EU-elections-more-appeal</u>



Of course, there are alternative ways of grouping Commissioners under broad themes; for example, it could be argued that energy and regional policy should be under Growth or that Health and Consumer Policy belong together. It is also questionable whether Vice-Presidents should have their own portfolio rather than simply an overarching theme. Reflecting on their special roles, in the proposed structure there is a Vice-President with the Economic & Financial Affairs portfolio (without other Commissioners to coordinate) and the High Representative who leads a thematic cluster, but also retains their High Representative role, while the five new Vice-President posts do not have their own portfolio in order to ensure that there is no one particular focus on a specific policy agenda, so to take a cross-cutting approach.

Rather than creating a more streamlined structure, simply adding new posts would further inflate the number of Commissioners. Annex B proposes how portfolios could be reviewed, redistributed and merged to bring the number down to 28 and to streamline responsibilities under each thematic area. Alternatives are there, for example consumer policy could be merged into one of the Single Market portfolios. There are also possible challenges however: Is it really feasible to split up the energy portfolio? Is the Business Environment portfolio too large? Despite these challenges, it seems possible to create a structure under thematic clusters which is more focused and effective than the current one.

Within this structure, Vice-Presidents would need to have a role which goes beyond merely coordinating the activities in each thematic cluster. They would need to have an explicit role to decide, in conjunction with the Commission President, on the strategic direction of policy within their cluster, working with their portfolio Commissioners. This should also be reflected in the administration, for example having a joint strategy unit for each cluster rather than each portfolio.

Would this resolve all the current issues? Certainly not. Small countries might still feel that it is difficult to get a Vice-President portfolio, although this might be counterbalanced with individual portfolios becoming more substantive. This structure also stands and falls with the Commission President: if they 'divide-and-rule' by dealing directly with individual portfolios under the remit of a Vice-President, it would undermine their coordination and direction. Given the truly cross-cutting nature of many challenges the EU faces, there would also need to be an effective coordination between the President and the Vice-Presidents with a common purpose and vision.

Nevertheless, these issues can be addressed and at the very least, would allow for a more functional and challenge-oriented structure than the current one. The more effective such a structure becomes however, the more it would turn the Commission into a political instrument, with clear-cut political priorities, and the ability to better deliver and implement them. This would aggravate the second flaw highlighted above. One way to address this would be to outsource some of the more impartial functions, for example in Executive Agencies as tentatively sketched out in Annex B. Undoubtedly, this would be a longer process but thinking about a fundamental reform of the Commission along these lines should start now.

In the end, no structure is perfect, but this should not stop us from thinking about how the *status quo* could be improved, especially at such a juncture as the one we are currently facing. A more effective and streamlined Commission, built around thematic clusters headed by Vice-Presidents, could be a crucial factor to help the EU to address the many fundamental challenges it faces in the coming years.

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Disclaimer: The views expressed in this Commentary are the sole responsibility of the author.



Annex A: Current portfolios re-distributed thematically, with five new Vice-Presidents

Financial Programming & Budget	←		President Strategy & Governance	$ \rightarrow$	Inter-Institutional Relations & Administration	
			\			
Vice-President Economic & Financial Affairs & the Euro	Vice-President & High Representative Europe in the World	Vice-President Solidarity & Cohesion	<u>Vice-President</u> <u>Growth</u>	<u>Vice-President</u> <u>Single Market</u>	<u>Vice-President</u> <u>Citizenship & Mobility</u>	<u>Vice-President</u> <u>Environment & Natural</u> <u>Resources</u>
	\downarrow	\downarrow	\downarrow	\downarrow	↓	↓
	International Coop., Humanitarian Aid & Crisis Response	Employment, Social Affairs & Inclusion	Research, Innovation & Science	Taxation, Customs, Statistics, Audit & Anti-fraud	Education, Culture, Multilingualism & Youth	Agriculture & Rural Development
	Trade	Health	Industry & Entrepreneurship	Competition	Justice, Fundamental Rights & Citizenship	Environment
	Development	Regional Policy	Transport	Consumer Policy	Home Affairs	Climate Action
	Enlargement & Neighbourhood		Digital Agenda	Internal Market & Services		Maritime Affairs & Fisheries
		I			1	Energy

New posts <u>underlined</u>



Annex B: Current portfolios merged to reduce the number of Commissioners to the current number

Financial Programming & Budget	←		President Strategy & Governance	\rightarrow	Inter-Institutional Relations, Administration, Audit & Anti-fraud	
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Vice-President Economic & Financial Affairs & the Euro	Vice-President & High Representative Europe in the World	Vice-President Solidarity & Cohesion	Vice-President Growth	Vice-President Single Market	Vice-President Citizenship & Mobility	Vice-President Environment & Natural Resources
	\downarrow	\downarrow	\downarrow	\downarrow	\downarrow	\downarrow
<u>Statistics</u>	Development, International Coop.,	Employment, Social Affairs & Inclusion	Business environment: Digital	Internal Market, Taxation & Customs	Education, Culture, Multilingualism &	Environment, Energy & Climate Action
Competition Fiscal Responsibility	Humanitarian Aid & Crisis Response		Agenda, Industry, Energy/Input Costs & Entrepreneurship		Youth	
Network Regulators	Trade	Health & Consumer Policy	Research, Innovation & Science	Competition & Network Industries	Justice, Fundamental Rights & Citizenship	Agriculture, Rural Development
Impact Assessment Board	Enlargement & Neighbourhood	Regional Policy	Transport & Infrastructure Investment	Financial Markets & Services	Home Affairs	Maritime Affairs & Fisheries

New Executive Agencies <u>underlined</u>