



Updated June 9, 2023

The European Parliament and U.S. Interests

A Key EU Institution

The European Parliament (EP) is the only directly elected institution of the 27-country European Union (EU). The EP's 705 members represent the EU's roughly 445 million citizens. The EP has accumulated more power over time as part of EU efforts to improve democratic accountability and transparency in EU policymaking. Since the 2009 Lisbon Treaty, the EP has become a more important actor on several issues of U.S. concern, including trade, data privacy, and counterterrorism. Congress-EP ties are long-standing, and the EP's potential to influence key aspects of U.S.-EU relations may be of interest to Congress.

Role and Responsibilities

The EP plays a role in the EU's legislative and budget processes and has a degree of oversight responsibility. The EP works closely with the two other main EU institutions: the European Commission, which represents the interests of the EU as a whole and functions as the EU's executive, and the Council of the European Union (or the Council of Ministers), which represents the interests of the EU's national governments. Although the European Commission has the right of legislative initiative, the EP shares legislative power with the Council of Ministers in most policy areas, giving the EP the right to accept, amend, or reject the vast majority of EU laws (with some exceptions, such as taxation and most aspects of foreign policy). Both the EP and the Council of Ministers must approve a European Commission proposal for it to become EU law in a process known as the *ordinary legislative procedure* or co-decision. The EP also must approve the accession of new EU members and international agreements (including on trade) and may issue nonlegislative resolutions (used, for example, to provide opinions on foreign policy issues).

With the Council of Ministers, the EP decides how to allocate the EU's annual budget (fixed as a percentage of the EU's combined gross national income). The EP also has a supervisory role over the European Commission and some limited oversight over the activities of the Council of Ministers. The EP monitors EU policies, can conduct investigations and public hearings, and must approve each new slate of European Commissioners every five years.

Structure and Organization

Members of the European Parliament (MEPs) serve fiveyear terms. Voting for the EP takes place on a national basis, with the number of MEPs elected in each EU country based roughly on population size.

Political Groups

Once elected, MEPs caucus according to political ideology rather than nationality. A political group must contain at least 23 MEPs from a minimum of seven EU countries. Currently, the EP has seven political groups—containing

roughly 200 national political parties—that span the political spectrum, as well as a number of "non-attached" or independent MEPs (see **Figure 1**). Although the majority of MEPs hail from political parties that support the EU project, some belong to parties considered to be antiestablishment and *euroskeptic*—that is, critical of the EU or anti-EU to varying degrees. Most euroskeptic parties are on the right or far right (and are predominantly nationalist and anti-immigration), but a few are on the left or far left.

No single group in the EP has an absolute majority, making compromise and coalition-building key features of the EP. Historically, the two largest parties—the center-right European People's Party (EPP) and the center-left Progressive Alliance of Socialists and Democrats in the European Parliament (S&D)—have tended to dominate the EP by cooperating in unofficial "grand coalitions." At the same time, voting blocs may vary on specific pieces of legislation. The relative size of the political groups also helps to determine EP leadership and committee posts.

EP Leadership, Committees, and Delegations

MEPs elect a president of the European Parliament every two-and-a-half years (twice per parliamentary term). The president oversees the work of the EP and represents it externally. Roberta Metsola, a Maltese MEP from the EPP, was elected as EP president in January 2022. The EP has 20 standing committees that are key actors in the adoption of EU legislation. In terms of their importance and power, EP committees rival those in the U.S. Congress and surpass those in most national European legislatures. Each committee considers legislative proposals that fall within its jurisdiction and recommends to the full EP whether to adopt, amend, or reject the proposed legislation. The EP also may establish temporary committees on specific issues or committees of inquiry on breaches of EU law. The EP plays a role in the EU's international presence with 44 delegations that maintain parliament-to-parliament relations throughout the world (including with the U.S. Congress).

Location and Administration

The EP's official seat is in Strasbourg, France (a location, near Germany, chosen to symbolize postwar reconciliation). Plenaries typically are held in Strasbourg once per month. Committee meetings and some part-plenary sessions occur in Brussels, Belgium. A Secretariat of about 7,000 nonpartisan civil servants and contract staff, based in both Brussels and Luxembourg, provides administrative and technical support. MEPs and political groups also have their own staff assistants. The EP faces some criticism that its multiple locations entail a wasteful duplication of resources and sizeable commuting costs, as well as calls for greater transparency about MEPs' office and travel expenses. The so-called Qatargate corruption scandal involving several

MEPs and staffers that came to light in late 2022 has renewed focus on strengthening the EP's ethics rules.

Current European Parliament: >05 The Left - GUE/NGL The Left - European United Left/Nordic Green Left Greens/EFA Greens/European Free Alliance S&D Progressive Alliance of Socialists and Democrats Renew Europe (Alliance of Liberals and Democrats for Europe) 66 **ECR** European People's Party European Conservatives and Reformists 72 Greens/EFA Identity and Democracy (Europe of Nations and Freedom)

Figure I. European Parliament Political Groups and Seats

Source: Graphic created by CRS, based on data from the European Parliament, as of June 2023, at http://www.europarl.europa.eu/.

42EFDD

EP Elections

In the EP's most recent elections in May 2019, the pro-EU center-right EPP and the center-left S&D retained their positions as the two largest groups in the EP but lost their combined majority as euroskeptic, liberal, and green parties gained seats. The resulting fragmentation enhanced the influence of the centrist, liberal, pro-EU Renew Europe group. Voter concerns about climate change translated into an increase in seats for the Greens/European Free Alliance (Greens/EFA), composed of pro-environment parties and leftist regional parties (e.g., Catalonian, Corsican). Higher than average voter turnout (51% in 2019 versus 43% in 2014) also helped boost support for these four pro-EU parties, which currently hold a combined 493 seats (70%).

*Discrepancy in seat total due to vacant seats.

Euroskeptic parties in the EP have a range of different policy views—including on EU reforms—and often have struggled to form a cohesive opposition. The most stridently euroskeptic group in the EP is Identity and Democracy (ID), an alliance of far-right parties. The European Conservatives and Reformists (ECR) is considered a more moderately euroskeptic group. The Left group includes former communist parties and some far-left EU critics. The overall number of MEPs decreased from 751 to 705 in January 2020 following the United Kingdom's withdrawal from the EU (*Brexit*).

The next EP elections are due in May 2024. The EP has long supported reforming EP electoral rules to bolster the EP's visibility and the EU's overall democratic legitimacy. In May 2022, the EP approved measures to establish 28 pan-European MEPs, give voters a greater say in choosing the European Commission president, and further harmonize electoral rules across the bloc. To take effect, these changes must be approved unanimously by all EU member states, many of which have opposed such reforms in the past that they feared could decrease their influence within the EU.

The United States, Congress, and the EP With the Liebon Treaty, the EP gained a more prominent

With the Lisbon Treaty, the EP gained a more prominent role in some aspects of U.S.-EU relations, particularly with

the right to approve or reject international agreements. In 2010, the EP initially rejected a U.S.-EU accord on countering terrorist financing due to concerns about U.S. data privacy safeguards. The EP also would have to approve any future U.S.-EU free-trade agreement. Some MEPs criticize concluding a potential new U.S.-EU critical minerals accord (aimed at easing U.S.-EU trade tensions over U.S. clean energy subsidies in P.L. 117-169, the Inflation Reduction Act of 2022) in a way that could circumvent the EP's role in trade matters.

Europe of Freedom and Direct Democracy

EFDD (defunct)

Non-attached

47

More generally, the EP's role in EU lawmaking may affect certain U.S. interests. The EP was central to shaping the EU's General Data Protection Regulation, which applies to many U.S. companies doing business in Europe. The EP approved new EU digital rules aimed at promoting competition in the digital sector and improving online platform monitoring, but some U.S. stakeholders are concerned that these measures could unfairly target large U.S. technology firms. Meanwhile, some MEPs share U.S. concerns about China's human rights and labor practices; the EP froze work on ratifying an EU-China investment agreement in 2021 following China's sanctioning of several EU entities and officials, including five MEPs. Many MEPs also firmly support Ukraine's territorial integrity and back robust EU sanctions against Russia (although decisions on sanctions rest with the member states).

Interparliamentary exchanges between Congress and the EP date back to the 1970s. The Transatlantic Legislators' Dialogue (TLD) has been the formal mechanism for engagement between the U.S. House of Representatives and the EP since 1999. TLD meetings are intended to take place twice a year to discuss various political and economic issues. Many MEPs have long argued for further enhancing cooperation with Congress, and some U.S. analysts suggest it might be in U.S. interests for Congress to forge closer ties with the EP to help strengthen U.S.-EU relations and reduce frictions. Others assess that structural and procedural differences between Congress and the EP likely would

impede more extensive legislative cooperation. For more information on the EU and U.S. relations, see CRS Report RS21372, *The European Union: Questions and Answers*.

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IF11211

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