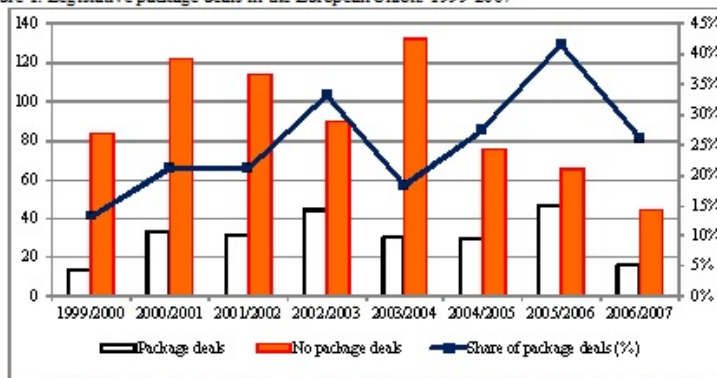


As Figure 1 shows, in recent years a new phenomenon has emerged in the EU lawmaking process - the increasing tendency to conclude the so-called package deals. While only 13,4% of legislative acts were decided through package deals in 1999/2000 period, more than 41,5% were subjected to exchange in 2005/2006. What are package deals? They can be defined as informal legislative compromises agreed between the European Parliament and the Council in relation to one or more proposals in which these institutions combine and exchange (trade) their preferences. For example, the Council accepts the Parliament's amendments on issue A (e.g., strengthening the protection of personal data), which is the most important for the Members of the European Parliament (MEPs), in return for which the Parliament agrees with the Council's demand on issue B (e.g., reduction of the budget), which is crucial for the governments of the Member States. In other words, both EU institutions trade loss in one field, usually less important for one of them, for benefits in other, usually more important. Such package deals can take two forms: multi-proposal package, where the exchange of preferences takes place between several interrelated and simultaneously negotiated acts (issues are bundled in several projects), or single package, commonly called omnibus, in which trade occurs within one legislative proposal (issues are bundled in a single legislative proposal). The packaging technique as described above differs significantly from the classic negotiations in which the proposals and contentious issues are analyzed case-by-case, one after the other and at the same time, the problematic issues are not interrelated, actors search for the lowest common denominator, use exclusion techniques and seek to reach an agreement favorable to one party or maintaining the status quo, and the final compromise reflects their negotiating positions. In the case of packaging, proposals and issues are analyzed together, as a whole and in the framework of repeated interactions between the Parliament and the Council representatives, decisions on one issue are connected to decisions on another, compromises are reached informally and must be formally adopted without any change by the institutions plenary, actors use cooperative techniques and seek to get agreements that are - if only partially - mutually beneficial for both parties.

Figure 1. Legislative package deals in the European Union: 1999-2007



Source: R. Kardasheva, *Legislative Package Deals in EU Decision-Making: 1999-2007*, thesis submitted to the European Institute of the London School of Economics, April 2009, p. 22.

Although package deals have become a prominent feature of the EU legislative process, it is little known about them. There is still a shortage of studies in the literature on the causes of this phenomenon and its potential consequences for the outcomes and course of EU lawmaking. The project tries to fill this gap. Its main objective is to comprehensively analyze the package deals adopted under the ordinary legislative procedure (OLP) and special legislative procedure (SLP, in consultation, budgetary and consent procedures) from theoretical (creation of the theory of legislative packaging in the EU), empirical (theory verification), and predictive (building quantitative predictive models) perspectives. The project addresses three research questions. The first is: what factors cause that the European Parliament and the Council of the European Union conclude package deals? In other words, under what conditions these two institutions are willing to exchange their preferences within one or more legislative proposals instead of conducting classical case-by-case negotiations on issues? To investigate this problem, a theory of legislative exchange will be constructed in the first step. It will be derived from the assumptions of two research programs: rationalism and social constructivism. This theory will contain the hypotheses stipulating that the propensity to conclude package deals depends on, inter alia, the complexity of the legislative proposal (regulation of multiple issues from several policy areas which the Parliament and the Council can exchange), different hierarchies (intensities) of institutions preferences for particular issues, the urgency of legislative proposals, the workload of the Council Presidency, socialization, financial character of the legislative act or the same nationality of the parliamentary rapporteur and the Member State holding at the same time the Presidency of the Council. Above hypotheses will be verified empirically by a quantitative method - binary logistic regression. The calculations will be made on a unique, independently collected dataset consisting of regulations, directives and decisions adopted under the OLP and SLP during the seventh term of the European Parliament (2009-2014). The empirical analysis will explain what factors and how affect the likelihood of conclusion package deals between the Parliament and the Council.

The second research question is following: whether and how package deals affect the outcomes of legislative negotiations under the OLP and SLP? The hypotheses will be formulated and they will predict that package deals increase the success rate of the European Parliament amendments when, inter alia, the legislative proposal includes the regulatory and institutional issues (but not budgetary matters), the rapporteur belongs to big political group, namely EPP or S&D, a large majority of MEPs supports the amendment during the plenary vote, the proposal is negotiated in the second or third reading of OLP. Above suppositions, complemented with additional control variables, will be verified using a quantitative method - multinomial logistic regression. All calculations will be carried out on the above-mentioned dataset, however, observations will be restricted only to all legislative acts adopted through package deals. The empirical analysis will reveal whether and under what conditions package deals, intertwined with a number of additional control variables, increase or decrease the probability of the success rate of the Parliament and the Council amendments, in particular in comparison to classical negotiations.

The third research question of the project is: what are the consequences of package deals for the duration and course of EU lawmaking, and for the democratic deficit in the European Union? This issue is important, because the tendency to conclude package deals has increased, while the implications of this phenomenon are still unexplored. Hence, four hypotheses will be formulated. First, package deals significantly shorten the duration of legislative negotiations under the OLP and SLP. Second, package deals strengthen the position of the Council Presidency, the largest EP political groups, rapporteurs and MEPs from „old” Member States, whereas they diminish the role of the EP committees chairmen, small/medium political groups and MEPs from „new” Member States. Third, due to socialization, packaging obliges the Parliament to propose less radical amendments and to strive for fast-track agreements in the first reading. This social effect influences the course and the results of EU lawmaking. Fourth, the increasing tendency to conclude package deals deepens the democratic deficit in the European Union, making the legislative process less transparent and unrepresentative. The first hypothesis, supplemented with additional control variables (e.g., number of amendments, the type and the policy area of the act), will be verified by a quantitative method - Poisson regression, based on already described dataset. Whereas the last three suppositions will be tested by qualitative method - semi-structured interviews. They will be carried out with the Members of the European Parliament who served in the seventh parliamentary term (2009-2014) as rapporteurs, shadow rapporteurs or political groups coordinators during the negotiations on randomly chosen acts concluded through package deals. The empirical research will reveal whether package deals decrease the duration of legislative negotiations. Furthermore, the obtained results will help to formulate recommendations on how to shape intra- and inter-institutional rules of EU legislative process in order to diminish the destabilizing effects that package deals might generate for the negotiations, democracy and the status of decision-makers.

It is worth to mention that the project will develop three predictive models. They will allow EU researchers to forecast which future legislative proposals will be decided through package deals, which prospective amendments proposed by the European Parliament will be successfully incorporated into the final act in case of issue-linkage, and how long will the negotiations on a given legislative proposal last. In addition, the project will produce a dataset of EU legislative acts adopted in the seventh term of the EP, together with certain variables. It will be available for download from the project's website.