Press Service

## TRANSMISSION NOTE

Please find attached as Community information the final version and the translations of the speech of Mr. Attilio RUFFINI, presenting the programme of the Italian presidency (1.1.80-30.6.80) - Strasbourg, 16 January 1980.

Madam President, Colleagues, Ladies and Gentlemen,

It has become a well-established tradition for the country assuming the Presidency of the Council to set out before this Parliament the main lines and action priorities of the six-monthly work programme.

I do not approach this task as a ritual duty, however weighty and exalted. On the contrary, I em well aware of the need to regard it as an important stage in a dialogue between the Council and the European Parliement, which in the interests of the Community must be both continuous and fruitful.

When addressing the Parliament I do not overlook the political reality resulting from its election by universal suffrage, which makes this assembly the direct expression of the will of our nine nations and confers on its members specific responsibilities towards the European electorate.

Distinguished colleagues,

I am deeply aware that it would be lacking in perspicacity not to appreciate at their true value the initiatives taken clearly and authoritatively by this Parliament, which demonstrate a determination to discharge fully the tasks of guidance and control conferred on it by the Treaty of Rome.

I therefore wish to say at once that, aware of the urgent need for the Council to act responsibly in the face of this Parliament's expectations, the Italian Government intends to use its best endeavours to dispel the mistrust and reticence, often psychological in origin, at present clouding relations between the Institutions of the Community. It must frankly be admitted that this distrust, this reticence is currently an irksome impediment to the climate of positive trust which is needed if our internal problems and, more generally, the many complex challenges of modern society are to be overcome.

Distinguished colleagues,

The six months of the Italian Presidency coincide.

with the start of a new decade — the 1980s — which will be of
decisive importance not only for the welfare of our peoples but
also for the role which Europe is called upon to play in the
world as a factor for peace, stability and social progress.

Only if we are able to show ourselves united in our intention to
defend and strengthen the moral values fundamental to the European
ideal will Europe come safely through the difficult trial
facing it.

We shall, therefore, used to foster harmonious collaboration between the Community Institutions, each of which will, within the framework of its particular area of jurisdiction, be called upon to make its own original contribution to the primary objective of a unified Europe.

We are certainly aware that, as we enter the eighties, world economic realities raise a number of questions and involve as many uncertainties, which cast a shadow on medium-term development prospects

The foreseeable upheavals in the oil parket, at least in the near future will inevitably bring about an increase in world prices and constitute a destabilizing factor for the monetary system, probably having as a result a depressive effect on international trade. However, it would be a serious political mistake if the caution which the gravity of these problems undoubtedly demands were to lead to a purely defensive and passive attitude. Indeed, were this to happen, the situation would get worse rather than better.

I feel it necessary for me to state, therefore, that the major deadlines before us necessitate an immediate awareness and conviction on our part of what the Community stands for today, of what it could and should have been and of what it must become.

If we are to restore to the Community the dynamism necessary for its survival and progress, to keep alive the European spirit of the founding fathers of the Community and to preserve the creditability of the European Institutions both in the eyes of European public opinion and of third countries, we must have the moral and political courage and the far-sightedness to set the Community on the road to new goals. This involves, first of all - and it is worth restating this - full implementation of the principles of the treatice establishing the European Communities and of the policies adopted to that end.

The problem confronting us today is essentially of a political nature; it concerns our ability to find an adequate Community response to the challenges now confronting our individual countries and the Community as a whole. We must safeguard Community achievements to date and encourage such initiatives and innovatory ideas as may enable us — by means of increased co-operation and solidarity — swiftly to adapt Community machinery and rules to meet changing realities.

I refer here not only to the need to adapt our development models to the changed conditions of the world economy - such as the higher cost of commodities and, above all, of oil - but

also to the now imperative need to rethink all aspects of relations between the industrialized democracies and the developing countries. In this connection, a suitable opportunity for reflection is provided by the proposal of the Group of 77 to begin global negotiations in 1980 within the United Nations Committee of the Whole and by the special session of the United Nations to be held in August this year in order to formulate a strategy for the third development decade.

(So much for the general situation).

## Distinguished colleagues,

I should now like to dwell on a number of priorities which, under the aegis of the Italian Government, should characterize the activities of the Institutions, and in particular the Council, in the first six months of 1980, when the Italian Presidency will be able to turn to good account the constructive contributions and the progress made by the Irish Presidency. It should not come as a surprise to anybody that one of my Government's primary objectives is the strengthening of co-operation between the Council and the European Parliament, a prerequisite for the opening of a frank and wide-ranging dialogue based on full respect for the statutory powers of each Institution and on the understanding of their mutual aspirations and expectations.

I have just referred to the need for the Council to give a suitable response to the legitimate claims of this Farliament to exercise fully the prerogatives devolving on it under the Treaty. The Council is already considering this question, which will be looked at in greater detail when, in due course, there is a more specific examination of the report on adjustments to the machinery and procedures of the Community institutions recently drawn up by the "Three Wise Men" in execution of the brief given them by the European Council in Brussels in December 1978. The purpose of such an examination is to prepare the ground for an effective discussion at the next meeting of the European Council, with a view to establishing the most suitable institutional framework for further progress towards the ideal of an ever-closer union of the peoples of Europe.

No one can ignore the importance and urgent nature of this objective, nor the difficulties lying in the way of its full attainment. There is no doubt that attainment would be greatly facilitated by a responsible common attitude which did not neglect the desire for renewal and the ever more clearly discerned need to set new goals, but which could simultaneously temper that desire and that need with the cautious gradualism called for by the rather difficult economic situation through which the Community is passing today. Following the rejection of the previous draft budget by this assembly, the Council and the Parliament will soon be called upon to show such a proof of their wisdom in connection with the adoption of the 1980 budget.

The Italian Presidency proposes to give priority to early preparation of the new budget and to do its best in practical terms to ensure that the political guidelines worked out by this Parliament receive due consideration in keeping with the Treaty and with a fair balance of the requirements to be met by the budget. In this connection, I wish particularly to stress that — in accordance with the decisions of the European Council in Dublin — measures will have to be adopted in the near future, in accordance with the objective of greater convergence of the economies of the Member States, to help solve the problem of the financial imbalance of which the United Kingdom is complaining.

This is a problem on which the Honourable Members CALLAND, PRUVOT and CALVEZ have put a question to the Council with the object of initiating a debate in this chamber. In this connection and while awaiting the Commission proposals, I would like to confine myself to saying as a personal comment that every contribution to the debate in the European Parliament — added to those already made at the November part—session on the problem of covergence — can only facilitate the search for a solution to this problem, the gravity and complexity of which is clear to everybody, not least to the Italian Presidency.

As regards the objective of convergence, it will be necessary in the first place to try to abolish those distortions in the common policies which now cause divergence; secondly, we must strive to achieve conditions which will ensure a more consistent development of all backward regions and, as a natural consequence of this more consistent development, guarantee continuous and balanced expansion, greater stability, an increasingly rapid improvement in the quality of life and closer links between the Member States, all of which are objectives expressly laid down in the Treaty of Rome.

In carrying out its responsibilities, the Italian

Presidency intends to give full weight to the results achieved
in the previous six months. In this connection, I would like to
congratulate the Irish Presidency on the wise and incisive manner in
which it performed its functions.

Before reviewing briefly the problems which have to be faced in the various sectors of Community activities, allow me to make one last point.

The Parliament has rightly called for urgent action to change the balance of Community policies in favour of structural measures and investment in general, in order to achieve wider and more effective solidarity. Solidarity does not mean, however, gratuitous gestures by the richer countries in favour of the poorer; it is a collective requirement. The same is true in the Community as in any social grouping; when one part is weak or in difficulties, everyone suffers. The Community cannot be strong, efficient and active if there exist within it economic and social imbalances which perpetuate between the Member States differences which are harmful to the pursuit of common policies and to the achievement of Community objectives.

Certainly it is a difficult problem, which covers not only the restructuring of present Community expenditure but also the more general question of the overall volume of the Community's own resources. We are also awaiting Commission proposals on this aspect of the problem.

The problems of the common agricultural policy must certainly be tackled in this context, not in order to question the principles on which that policy is based, but to ensure that in their implementation the distortions which have occurred in the past are avoided and that greater emphasis is placed on structural measures to enable farms in the least developed areas to be modernized and a new balance to be established between various types of production on the basis of actual market requirements. It is with this in mind, and taking account of the information supplied by the Parliament, that we will try to make the fastest possible progress in examining the Commission proposals for the improved control of agricultural expenditure in sectors where there is a surplus and for action aimed at fairer protection of the various crops.

With regard to the development of structural policies and policies relating to investment in general, I can state that the strengthening of the Community's energy policy is an obvious "must".

The European Council in Dublin outlined a common strategy providing for the attainment of a number of important objectives, including the more moderate and rational use of oil as a non-renewable natural resource and the achievement of economic growth which is no longer dependent on increased oil consumption but based on the development of other energy sources.

As regards limiting consumption, the Community has already agreed on maximum levels for oil imports in the short and medium term. These are very important measures but they are not enough to reduce the inflexibility of the relationship established in the past between the growth of gross domestic product and oil consumption.

Energy is therefore clearly one of the subjects to which we must give a greater attention in order to achieve a true common policy and to formulate specific aid measures and instruments of support, including financial ones, for reducing the Community's dependence on imported oil.

In the industrial sector, we consider it to be in the common interest to encourage the launching of a more systematic policy of re-establishing a unitary approach for aid to sectors going through a period of crisis and for the measures to be adopted strengthen expanding sectors. A more systematic policy should take greater account of international specialization and a more rational division of industrial labour, by endeavouring,

inter alia, to seek the most suitable means of tackling structural meaknesses and making supply more elastic to enable it to adjust both to changes in demand and to new production techniques. The need to increase the competitiveness of European industry and restore productivity to former levels therefore means that we must devote special attention to the problems of conversion of the entire production apparatus, which we feel, cennot be divorced from those of retraining and occupational mobility.

This last objective leads me to emphasize the importance which should be attached to the social sector in view of the proportions and structural hature of unemployment in all countries of the Community today; the seriousness of the employment situation on the labour market and the likelihood that it will deteriorate still further call, more than ever before, for courageous common solutions to be found.

There can be no doubt that progress along these lines has been made as a result of the approval last November of the Resolution setting out a number of guidelines for action and certain general principles to be followed in connection with the re-organization of working hours. This step should be seen as one element in that active employment policy which the Community needs, especially in the present economic climate, and which should include the better utilization for social purposes of Community financial resources of a structural nature.

We are convinced that to achieve this aim, there will have to be more efficient and comprehensive consultation with both sides of industry, with better use being made, inter alia, of the functions and role of the Economic and Steel Committee. The other structural policies are of course soually important, sepecially the regional policy, which continues to be the prime instrument for reducing imbalances within the Community and must be pursued by co-ordination of all the means at our disposal. Regional policy, or rather its implementation, cannot be simply a question of utilizing the financial resources of the Fund allocated for the purpose. A true Community policy in this sector must necessarily assume the territorial dimension of all common policies since it is only in this way, by taking an overall view, that we shall be able to prevent regional policy from being seen merely as the granting of subsidies — important as they may be — to less favoured regions.

On the monetary and finencial front, one of our main objectives is the work preparatory to moving on to the second stage of the ENS and especially to the creation of the European Monetary Fund.

On the whole I think it must be recognized that the system has worked satisfactorily. Havertheless it is a matter of urgancy that we devise a Community policy vis-à-vis the dollar, which will provide not only for closer co-ordination of intervention on exchange markets but also for more accurate monitoring of the compatibility of national monetary policies, especially those relating to interest rates.

I said just now that the EMS had so far worked satisfactorily; however, apart from the repercussions which serious and lasting external monetary disturbances might have on the system, a strengthening of the system also depends on real progress being made towards a reduction in the substantial imbalance which still exists between national economies and regions in the Community. This was in fact the gist of the decisions adopted at the time by the European Council on the convergence of the economic policies of the member countries.

Similarly, a fresh impetus will also have to be given to transport policy, where we feel convinced that real progress can be made by the adoption of the Regulation providing for aid to projects of Community interest in the field of transport infrastructure. The Commission's recent communication to the Council will — we are convinced — provide a useful opportunity for further examination of the most suitable measures to be taken in this field.

With regard to the aim of strengthening the cohesion of the Community, serious efforts will have to be made to speed up work on the definition of a common fisheries policy in order that the Regulations on structural measures and measures to rationalize the market in fishery products may be adopted.

In addition to promoting suitable concerted action on those priority topics on energy, raw materials, health, agriculture, etc. on which the social and economic development of the Community depends, the need to stimulate technical progress will mean that greater attention will have to be devoted to research.

On this last point one need only consider the fact that, comparatively speaking, the Community countries spend much less on research than other countries which are technologically more advanced. This state of affairs should lead us to reflect upon and, let us hope, to grasp the need to give a greater impetus and more substance to research activities.

As regards environmental policy, activities already in progress must be organized more systematically, with a view to stepping up the more important of these, such as for example the protection of water resources, anti-pollution measures, land protection and the evaluation of the environmental impact.

I should like now to mention the importance which the Italian Presidency will be attaching to the question of "special rights".

In this context, as well as speeding up the examination of the Commission's proposals on the residence rights of all citizens, we believe it necessary to bring to an early conclusion the discussions on the question of voting rights at local government level, which, following on the direct elections to this Assembly, would constitute a significant further step towards reinforcing the Community. If these rights were recognized, it would enable individual citizens to gain a deeper awareness of being part of this new, larger political entity which is the European Community.

Distinguished colleagues,

I should like to dwell for a moment on the European Community's external relations.

As I have already had occasion to remark, it seems to me essential for the Community's internal cohesion to be strengthened if the Community itself is to fulfil its role in world politics. We have before us some important decisions concerning the Community's relations with the rest of the world. First of all, of course, there is the enlargement of the Community, the political significance of which is clear to everyone and has often been emphasized in this assembly. Negotiations are taking place for the accession of Spain and Portugal, and as far as the Italian Presidency is concerned, I can assure you that we are conscious of their part in bringing about democratic unity in Europe and that we shall do everything in our power to ensure that they proceed — in an overall context — without delay and in a truly constructive spirit.

There is another point to be made in this connection. The question of this further enlargement of the Community cannot and must not be tackled solely from the traditional, elbeit essential, standpoint whereby the applicant countries accept our Community's rules in their entirety. In the 1960s we created a Community to meet the requirements of the six founder members and, in particular, the sconomic circumstances of that decade. That Community was successful, but it proved to be less so in the 1970s, in the face of altered sconomic conditions and in the context of a Community of nine members.

We must realize, at least as it appears to me, that we connot tackle this second enlargement without reinforcing existing structures, stepping up current policies and creating new ones. At the same time we must also examine in greater detail the consequences of enlargement on third countries, especially on the Mediterranean countries.

In the same constructive spirit, the Italian Presidency intends to use its best endeavours to obtain - apart from the adoption of measures to give new impetus to the association with Turkey - early conclusion of the new agreement with Tugoslavia. I would like to reassure the Socialist Group, which has made a formal request to me on the matter, that the Presidency has done all in its power to speed up the relevant procedures and to arrive at a positive result at the Council meeting on 5 February.

Important developments are foreseeable in our relations with countries of the Third World. I have already mentioned the need to give greater prominence and political weight to the North-South dialogue. As to specific objectives, I believe the Community should be able to finalize the framework regulations on financial and technical aid to non-associated countries. The new Food Aid Convention, which provides for an increased commitment by the industrialized countries and in particular the Community, should also be concluded.

As well as conclusion of the co-operation agreement with the ASEAN countries, the negotiations for which were successfully concluded under the Irish Presidency, the Italian Presidency proposes to stimulate co-operation between the Community and the countries of Latin America, with which we have many ties that are not only

economic but also historical and cultural. We shall seek to re-organize the dialogue with these countries and to introduce new forms of co-operation. We also intend to pursue the negotiation of co-operation agreements with Brazil and the countries of the Andean Pact.

Madam President, distinguished colleagues, this Parliament is familiar with the distinctive features of political co-operation between the Nine, which, as you know, is exercised outside the framework of the Community Treaties. I should like to mention just one of these features, namely the fact that such co-operation has developed without the creation of bureaucratic machinery and has demonstrated an appropriate degree of imagination in following original procedures, the effectiveness and objective limits of which we are all familiar with.

The Nine have not established a common external policy, although as an ideal this still remains one of our objectives. But there has been proof of the effectiveness of our Government's commitment to consult each other and co-ordinate their attitudes to developments in the current international scene with the aim of reaching common positions and pursuing common actions, wherever possible and desirable.

When evaluated in these realistic terms, the experience of ten years of European political co-operation will be seen as being broadly positive, its intrinsic benefits extending beyond the visible results obtained. While, as was observed by the Irish Presidency before this assembly, the Nine have acquired a new reflex, that of automatically consulting together, they have also taken on a corresponding reflex in their dealings with the outside world, which has consequently come to recognize them as a distinct entity, a development which reflects the growth, albeit gradual, of an awareness of a European identity.

At this point I think it would be useful if I were to sketch in broad outline the main themes of international policy.

As regards Indochina, I know that I am expressing the conviction and feelings of the Parliament when I emphasize, besides the political aspects of the situation, with its dangerous destabilizing effects over a vast area, the urgency of finding a solution to the dramatic and desperate humanitarian problem. Both the European Community and the nine member countries have already may a substantial contribution to the specific humanitarian initiatives rightly launched by the international community. We intend to continue on this course, while at the same time doing everything in our power to secure a return to peace in South East Asia consistent with the principles of the independence and territorial integrity of all the States in that area.

The taking of hostages in the United States Embassy in Teheran and their detention in violation of the fundamental principles governing the co-existence of States and of the recommendations of the world community are an example of the alarming deterioration in international relations and a cause of serious tension in an area already subject to destabilizing factors.

Neither the duty of non-interference in the sphere of sovereignty of another State nor the understanding deserved by a nation striving to find a new order after a revolution can suggest any attitude other than condemnation for actions which infringe the elementary rules of international law.

This manifestly disquisting picture may be completed by extending the horizon to include the whole area usually described as the Islamic world. In the Middle East the vital prospect of a global solution for the serious problems still unsettled, and in particular the Palestinian problem, is slow in materializing despite the peace and negotiating initiatives which the United States have succeeded in promoting between Egypt and Israel.

The past year has seen positive signs of stabilization in Africa. Not only have new tendencies towards convergence appeared between neighbouring countries previously separated by bitter rivalry but, thanks to the courageous, persistent and firm action of the United Kingdom Government, concrete form has been given to the hope that a negotiated settlement will be applied in Zimbabwe and enable the people of that country to express their will under a system which complies with the desire for independence expressed by all shades of Rhodesian political opinion. It is to be hoped that this positive development will serve to promote favourable developments in all the other problems of southern Africa, and in particular that of Namibia.

As regards the problem of disarmement, which is of such critical importance for the future of humanity, the Italian Presidency intends to promote the further strengthening of the Nine's activity, in particular with a view to the adoption of those joint initiatives which prove possible for achievement of the objective of tangible progress on the fundamental disarmement dossiers. It is comforting to note that as regards the entire range of problems related to disarmement the Nine have achieved a high level of co-ordination of their views and actions.

The Italian Presidency regards the next session of the Commission on Human Rights - to be held in Geneva from 4 February to 14 March - as an important occasion for demonstrating European solidarity in a field of such great importance for the Mine as human rights. We intend to pursue this same objective in respect of the other events figuring on the timetable of activities of the United Nations, starting with the Copenhagen World Conference for Women.

Over and above the divisions that have emerged within the Arab world — in respect of which the Nine do not intend to intervene or be drawn into any sort of interference — the Euro-Arab dialogue continues to represent an exemplary undertaking in the field of political co-operation, and one that is to be nurtured and pursued. Concrete measures were already taken during the Irish Presidency to give practical effect to this general approach. We plan to continue this process and to endeavour to exploit any positive feature permitting a balanced revival of the dialogue activities.

For the CSCE meeting in Madrid, of which the preparatory phase is scheduled to take place in September and the main session to begin in November, the next six months will see the Community's agenda reflecting an intensification of the work that we have been pursuing for more than a year. It is in the field of the

CSCE, in fact, that political co-operation has recorded some of the most important successes, since its inception.

Distinguished Colleagues,

I am aware that there exist, in addition to the problems
I have just mentioned, others of a more specifically procedural
nature, i.e. problems relating to the best ways of safeguarding this
indispensable link with the European Parliament. Views and
requests in this connection have already been voiced here on
a number of occasions. The Italian Presidency views the
improvement of these procedures as a matter for consideration
within the political co-operation framework, a pragmatic and
non-institutionalized mechanism which by its very nature has
to devote constant attention to the various aspects of its
continual functional adjustment.

.../...

The Italian Presidency will be honoured to brief Parliament, at each of the various meetings planned, on all developments occurring in the context of European political co-operation. It considers these engagements in the exercise of its functions not as a duty but as privileged occasions by means of which — and it is appropriate to use the language of the Luxembourg report — public opinion and its representatives must be effectively associated in the process of political co-operation in order to confer a democratic character on the building of the European union.

Distinguished colleagues,

The quality and level of the debates in the European

Parliament on the most important themes of current international
politics have been appreciated in all our countries. This represents
a source of satisfaction for all those who believe that the European

Parliament, particularly in the present delicate international situation
must represent one of the basic dynamic factors in our
unification. The Italian Presidency is convinced that
it is precisely the link with the democratically elected

Parliament that offers intergovernmental political co-operation
in foreign policy the possibility of penetrating the
consciousness of the peoples of Europe and of perceiving their
attitudes with regard to the major international options with
which they are faced.

Distinguished colleagues,

In view of what I have just said, it seems to me that this is the most appropriate place for me to address a strong appeal to the Governments and peoples of the Community that on the threshold of the eighties in the face of the dangers threatening the international situation, they should harness all that unites us in a Community vision.

I have already mentioned the priority objectives which the Presidency will pursue and the specific context in which it will have to operate. The solution of the outstanding problems which could paralyse Community activity will be sought within the framework of a properly ordered relationship between the Community institutions and in a common effort to achieve the objectives of the Treaty of Rome.

I em confident that the Commission will fulfil fully and carefully its particular task of formulating initiatives and that the Covernments will endeavour to reconcile their own justifiable interests with those of the Community.

Today the Community is being put to the test. It is our duty to show ourselves and the world that we are capable of meeting the challenge.