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INTERIM REPORT

drawn up on behalf of the Committee on Energy, Research and Technology

on scientific and technological cooperation between the European Community and other European countries:

aspects of cooperation with the countries of Central and Eastern Europe

Rapporteur: Mrs J.E.S. LARIVE

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Resolution adopted at the Sitting of 10 July 1990 annexed.

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A Series: Reports - B Series: Motions for Resolutions, Oral Questions - C Series: Documents received from other Institutions (e.g. Consultations)

*	= Consultation procedure requiring a single reading
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**II	= Cooperation procedure (second reading) which requires the votes of a majority of the current Members of Parliament for rejection or amendment
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**I	= Cooperation procedure (first reading)
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***	= Parliamentary assent which requires the votes of a majority of the current Members of Parliament
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By letter of 4 January 1990 the Committee on Energy, Research and Technology requested authorization to submit a report on scientific and technological cooperation between the European Community and the other European countries.

On 2 April 1990 the President of the European Parliament authorized the Committee on Energy, Research and Technology to draw up a report on this matter.

At its meeting of 23 January 1990 the committee appointed Mrs LARIVE rapporteur.

At its meetings of 21 March, 19 April, 31 May, and 28 and 29 June 1990 the Committee on Energy, Research and Technology considered the draft report and agreed that it should be submitted as an interim report on aspects relating to cooperation with the states of Central and Eastern Europe. It adopted the motion for a resolution as a whole on 29 June 1990 unanimously.

The following took part in the vote: La Pergola, Chairman; Adam, Lannoye, Vice-Chairmen; Larive, rapporteur; Bettini, Breyer, Chiabrando, Desama, Falqui (for Anger), Garcia Arias, Goedmakers (for Linkohr), Holzfuss (for Capucho), Nielsen (for Verwaerde), Pierros, Regge, Rinsche, Samland (for Ford), Sanz Fernandez, Wijsenbeek (for Gasoliba i Böhm).

The report was tabled on 29 June 1990.

The deadline for tabling amendments to this report will appear in the draft agenda for the part-session at which it is to be considered.

C O N T E N T S

A. MOTION FOR A RESOLUTION

B. EXPLANATORY STATEMENT

A.

The Committee on Energy, Research and Technology hereby submits to the European Parliament the following:

MOTION FOR A RESOLUTION

on scientific and technological cooperation between the European Community and other European countries: aspects of cooperation with the countries of Central and Eastern Europe

The European Parliament,

- having regard to the framework agreements for scientific and technological cooperation and the specific agreements implementing such cooperation between the European Community and Sweden, Switzerland, Finland, Norway, Austria and Iceland,
 - having regard to the trade and cooperation agreements between the EC and most of the countries of Central and Eastern Europe,
 - having regard to initiatives already taken by the EC in favour of Central and Eastern Europe, in particular the PHARE programme, but also the European Centre for the Development of Vocational Training and the mobility programme TEMPUS,
 - having regard to the creation of the European Bank for Reconstruction and Development,
 - having regard to the conclusions of the European Council in Dublin on 28 April 1990,
 - having regard to the interim report of the Committee on Energy, Research and Technology (Doc. A3-174/90),
- A. having regard to the serious plight of the countries of Central and Eastern Europe and the aid which the EC has already been called upon to supply,
 - B. having regard to the extremely critical situation of the economic systems of the Central and Eastern European countries and having regard to the need for far-reaching, structural changes,
 - C. whereas rapid, well-balanced social and economic development of the countries of Central and Eastern Europe is essential for the success of the process of democratization in those countries and, hence, is a contributing factor towards peace in Europe,
 - D. having regard to the very serious pollution of the environment in those countries and the unmistakeable effect this has on the countries of Western Europe,

- E. having regard to the role of dependable partner which the EC will increasingly perform in the continent of Europe as a whole,
- F. whereas the EC will therefore have to provide support, as soon as possible, for the process of change in Central and Eastern Europe in the form of economic and political measures, not least in response to the expectations of these countries with regard to the EC,
- G. whereas legal and administrative obstacles impeding cooperation between the European Community and the countries of Central and Eastern Europe should be reduced to the absolute minimum,
- H. whereas, on the one hand, these countries must be fully capable of competing at the international level in order to reap the benefits of economic growth and, secondly, the markets of the Central and Eastern European countries afford economic prospects for European industry,
- I. whereas the efforts to support the countries of Central and Eastern Europe complement solidarity which has already been shown, internally and externally, and whereas the obligations already entered into within and outside Europe must not suffer from new obligations towards the countries of Central and Eastern Europe,
1. Welcomes the democratic developments of recent months in the countries of Central and Eastern Europe;
 2. Stresses that the new political situation that has arisen is a new challenge for the European Community and that it will therefore perform a pivotal role in the continent of Europe as a whole;
 3. Is thoroughly convinced that action taken by the European Community is a key factor in assisting the countries of Central and Eastern Europe along the path they have chosen towards democracy and a market economy and that here, too, the EC has a fundamental political responsibility;
 4. Stresses, however, that any action taken by the European Community can only be undertaken if the present reforms of the political and economic systems of those countries are maintained and consolidated;
 5. Recalls the decisive role of scientific and technological research in the economic and social development of modern (post-) industrial society and therefore believes that massive support is needed for an exchange of know-how;
 6. Calls for a realistic and pragmatic approach to the problems, and for a balance to be found between each country's capacity for such exchange and its actual needs;
 7. Believes that in order to maintain a cohesive Community policy Community action in favour of the countries of Central and Eastern Europe in technological research and development should be based on the same criteria for all countries involved;

Medium to long-term

8. Believes that in the new political context the EC should strive towards establishing relations akin to those with EFTA with the Central and Eastern European countries;
9. Calls therefore on the EC to use the principle of 'mutual balance benefit' as the basis for all relations with non-Community European countries, without losing sight of the fact that aid and assistance to the countries of Central and Eastern Europe will be required temporarily for many years to come;
10. Proposes establishing two medium-term aid programmes for the countries of Central and Eastern Europe:
 - 'EAST' (European Assistance for Science and Technology), to assist and accelerate the changes in research structures and to consolidate scientific and technological potential,
 - 'GREEN' (General Research in Environment for Eastern Nations), aimed at the acquisition of know-how and scientific and technical resources as weapons in the struggle against the problems of the environment which are partly the result of energy production (this is particularly true of the use of lignite as a fuel and nuclear power stations of the Chernobyl type) and partly the result of industrial production processes;
11. Proposes that priorities under the EAST programme should include:
 - (a) additional training and mobility of research workers as a means of overcoming the consequences of long-term isolation, with particular reference to the creation of networks between universities, laboratories and European Community research centres (including the Joint Research Centre) and the countries of Central and Eastern Europe, improvements in the status of researchers to keep brain-drain to a minimum, and increasing the numbers of women active in scientific and technological cooperation;
 - (b) financing for the contribution made by university and industrial researchers to projects already being carried out in Community universities and private research laboratories and industrial laboratories,
 - (c) identifying and implementing precisely defined strategic research projects,
 - (d) approving common industrial standards,
 - (e) fostering cooperation between businesses in East and West, e.g. by organizing seminars, works visits and traineeships, management training and the setting up of databases;
12. Proposes that the following should be essential features of the GREEN Programme:
 - (a) environmental technology is developed for cleaner production processes, and a common set of rules for environmental impact assessment is drawn up,

- (b) consistent and generally applicable environment standards are developed and introduced, and
 - (c) facilities for the supervision and management of air, soil and water are developed (e.g. satellite monitoring or air pollution detectors);
 - (d) instruments for environmental management are devised by businesses and governments specifically for the Eastern European situation,
 - (e) a joint programme is drawn up on energy yield in industrial production cycles and in agriculture
13. Believes that the EAST and GREEN programmes should follow on directly from the framework programme for research and technological development (R and TD) and be integrated in the fourth framework programme, with a further adequate budgetary appropriation being allocated;
14. Proposes that in the framework of the EAST and GREEN programmes - which should have a maximum life of 8 years - the Community should make available for the first 4 years an extraordinary financial contribution equivalent to 10% of appropriations of the framework programme for R and TD, with the proviso that this percentage is gradually diminished in the following years;
15. Invites the Commission to submit to the European Parliament before the end of 1990 specific proposals which can be rapidly implemented on the basis of a thorough survey and analysis of the problems and requirements, drawn up in cooperation with the responsible authorities and scientists in each country in question;
16. Believes that the updating of the financial perspectives should be fully utilized so that the budget reflects the consequences of the measures in favour of Central and Eastern Europe;
17. Believes that with a view to the creation of a European Economic Space and in the light of existing agreements on scientific and technical cooperation the EFTA countries should participate, e.g. in the form of substantial funding, in the Community action in favour of the countries of Central and Eastern Europe;

Short term

18. Believes that, given the seriousness of the political and economic situation, there is a need for emergency aid of limited duration from the EC to bridge the period until implementation of the EAST and GREEN programmes;
19. Proposes that this emergency aid be granted under the title 'LET'S GO EAST' (Let European Technicians and Scientists GO EAST) and should include the following action:
- (a) sending teams of scientists and experts from the European Community to the countries in question for three to six months to:
 - assist local research teams;
 - establish networks of research workers and academics from Eastern and Western Europe, in particular through university-industry joint research projects and scientist-exchange schemes;

- assist in securing the most accurate and specific assessment possible of the capacities of these countries (having regard in particular to the quality of the research conducted and its industrial and commercial applications), and their science and technology needs;
 - to help them in identifying as rapidly as possible their sectoral policy priorities, in particular in the areas of telecommunications and technologies for improving energy productivity;
- (b) financial assistance for participation by scientists from Central and Eastern European countries in colloquia, congresses and seminars organized by the EC,
- (c) providing scientific and technical equipment (new and second-hand) to meet the most urgent requirements;
20. Calls on the Commission to finance this emergency aid programme in particular through the funds available for the PHARE programme;
21. Believes furthermore that the programmes on human resources and mobility (SCIENCE, SPES, Major Installations) in the framework programme for R and TD can be opened up to Central and Eastern European countries;
22. Expresses its satisfaction following the narrowing-down of the categories of advanced-technology products subjected to COCOM rules, and hopes that this trend will continue, in particular in relation to computers and telecommunications, to enable the economic structures of the Eastern European countries to be rapidly modernized by facilitating technology transfers, and consequently believes that the current COCOM regulations need to be rescinded in order to facilitate the transfer of technology;
23. Believes that there is also a need in this context to examine to what extent military technology and production capacity can be used for civil purposes;
24. Calls on the interministerial EUREKA conference to lay down, in the near future, the conditions for admitting the countries of Central and Eastern Europe so that businesses in such countries can be involved in the various EUREKA projects subject to detailed regulations being laid down in future;
25. Calls on the Council to take steps in the framework of the ministerial meetings between the European Community and the EFTA countries to ensure forthwith that all partners are involved in the efforts for scientific and technical aid to Central and Eastern Europe;
26. Instructs its President to forward this resolution to the Commission, the Council, the Economic and Social Committee, UNICE, the ETUC and the principal laboratories and research centres of the Community, and to the governments of the countries of central and Eastern Europe.

B.

EXPLANATORY STATEMENT

I. BACKGROUND

1. Although the European Community adopted a world trading policy at a very early stage, notably in the context of the international GATT rounds, and signed agreements with the main groups of countries, it was only from the mid 1980s that it began to question its links with the non-Communist countries of Europe. It appeared easier for the European Community to obtain recognition and establish an identity of its own on the world stage than on a purely European scale.

2. However, four facts have now forced the Community to define a policy towards its neighbours in Europe.

- (a) In the first place the accession of Spain and Portugal marked an important step on the road towards European Unity.
- (b) The adoption of the Single European Act and 'Europe 1992' marked the consolidation of the Community process. This expression of the desire of the Member States for further integration has prompted the EFTA countries to come to terms with the reality of the Community and to address themselves to the need for closer links with the EC.
- (c) EUREKA and successful industrial (Airbus, European Aviation Agency) and scientific cooperation (CERN, JET) have shown that European cooperation in research and development need not necessarily be confined to the Community but that there are possible variants which may be in competition with the EC and its institutions.
- (d) The most recent, and ultimately most decisive, factor are the recent developments in Central and Eastern Europe. Although initial contacts had already been established with the CMEA, they were purely formal in nature with no possibility of fundamental change in the short term. The revolutions which have now taken place have opened up entirely new perspectives and are forcing the Community to take political and strategic choices.

3. Hence, at the beginning of this new decade the geopolitical picture of the European continent appears to be completely changed. This permits new and different economic, political and diplomatic relations between (groups of) countries in Europe.

We can divide Europe schematically; on the one hand, there is the European Community which, institutionally and economically, comprises 12 countries. There is another group of 12 countries which is completely heterogeneous, both economically and culturally - the members of EFTA - and then there are the rest, which, with the exception of Yugoslavia, cooperate in the economic organization CMEA. At present the future of the latter organization can only be a matter of speculation.

We have, then, a completely heterogeneous group of countries; the only feature they have in common is their geographical location.

4. Laying down a policy towards the non-Community European countries is therefore an extremely difficult, but unavoidable task, in both economic and political terms. What is at stake is the future of the European Community and its role in establishing a European identity capable of rising to the challenges of the 21st century.

5. Research and technology are very specific and strategic areas for the European Community, areas which can be used to define the links which need to be created with neighbouring countries in Europe.

6. Given this analysis and the need for creating coherent Community action, your rapporteur feels constrained to concentrate on intra-European relations. The GDR is not discussed below because in the short term it will probably be covered by Community internal policy and will be able to use Community instruments. Policy towards other industrialized countries and the developing countries requires a completely different approach.

7. Your rapporteur would point out that this is only an interim report. It is principally concerned with aspects relating to the countries of Central and Eastern Europe. It has become clear to us that the pressing nature of the problems which have to be tackled with the countries of Eastern Europe, notably to enable the process of democratization that is taking place there to be consolidated, calls for a number of very rapid political decisions so that the action required can be initiated.

This interim report will be followed by a final report (closely modelled on this report) on relations with all third European countries, i.e. the EFTA countries and the countries of Central and Eastern Europe.

II. EXISTING RELATIONS BETWEEN THE EUROPEAN COMMUNITY AND THE OTHER EUROPEAN COUNTRIES

A. EC-EFTA

8. For a number of years scientific and technological relations between the European Community and EFTA were determined by the COST Agreements. After adoption of the Single European Act, these were replaced by framework agreements for scientific and technological cooperation. Most of the specific projects in the EC framework programme for research and technology provide for third country participation.

9. There are three ways in which such participation is possible:

- (a) full participation by an EFTA country in an EC programme or a part thereof under the same conditions as Member States (e.g. SCIENCE or SPES);
- (b) participation on a project basis: the EFTA countries do not have the same advantages as Community participants (e.g. BRITIC and ESPRIT);
- (c) cooperation: an exchange of information between a national programme of an EFTA country and a Community programme. In addition, every two years there are ministerial meetings between the ministers of the Member States, EFTA and the European Commission.

10. Mention should also be made in this context of Community action in which other countries may participate, e.g. the nuclear fusion programme, and action outside the Community framework, such as the European Space Agency, the Airbus or EUREKA. EUREKA is without doubt the one initiative which the Commission regards as being most in competition with all its own research and technology initiatives. The Commission has now regularized its relations with EUREKA to the extent that it is represented in the EUREKA secretariat and therefore, on paper at least, is consulted at all stages of the projects.

B. CENTRAL AND EASTERN EUROPE

11. Three countries (Hungary, Poland and the Soviet Union) have concluded economic cooperation and trade agreements with the EC which include broad based action in the field of energy, science and technology. However, this cooperation still appears to be confined to the exchange of information. In addition, Yugoslavia has taken part in a number of COST agreements on energy consumption in inter-regional transport (COST 307) and quality guarantees in the software of nuclear medical facilities.

12. In early 1990 the Commission forwarded two communications to the Council: one on the implications of recent changes in Central and Eastern Europe for the Community's relations with the countries concerned (SEC(90) 111 final) and one on the development of the Community's relations with the countries of Central and Eastern Europe (SEC(90) 196 final).

13. In the course of this year the Commission will be submitting a number of initiatives in the form of economic and trade cooperation with Czechoslovakia, Bulgaria and Romania. Poland and Hungary are also cooperating with the European Community in the Group of 24 (the PHARE operation) and a European Bank for the Reconstruction and Development of Eastern Europe is to be set up.

14. The 1990 budget includes 300 million ECU for PHARE (200 million for Poland and 100 million for Hungary). Another 200 million ECU have been set aside for other countries which may be eligible for similar aid.

The 1991 budget includes a new line amounting to 800 million ECU for the countries of Central and Eastern Europe.

15. It is not possible to give a complete summary in this paper of all European cooperation activities in the area of science and technology. The Commission is endeavouring to be involved in all programmes and to establish itself as the rightful representative of Europe. The fact is that there is no clear Community policy. It is high time to reply to a number of questions on the nature of the relations that we wish to have with non-Community countries, either individually or as a whole.

III. BASIC PRINCIPLES FOR ENTERING INTO INTRA-EUROPEAN RELATIONS

16. In the first place we need to establish the criteria for a coherent and efficient policy. The most important point is that existing obligations within and outside the Community must not suffer from any new obligations towards the countries of Central and Eastern Europe.

17. Your rapporteur believes that there is a need to define the overall objectives once the political, economic, scientific and social situation in Central and Eastern Europe is more clear. She hopes to make suggestions on these lines in her final report. Relations between the Community and its neighbours will require a common approach towards European issues in the broadest sense of the word. In fact this was the approach adopted by the Ministers of the EEC and EFTA in their joint efforts to establish a European Economic Space.

18. In the short term, however, we shall need to concentrate on setting up networks, frameworks for cooperation - perhaps joint ventures - in particular in environmental technology, energy and economics; and on defining the weak and strong disciplines in each country and throwing open certain Community programmes. It goes without saying that additional funding is absolutely essential. Speedy action is required. We must not let the US and Japan in through our back door.

19. Your rapporteur is of the opinion that the fundamental principle must be a broad approach towards, and equal treatment of, all countries involved. Quite clearly, account will have to be taken of the different needs in the light of the major economic and social differences between the countries. Urgent, temporary aid to Central and Eastern Europe must first and foremost take the form of transfer of know-how in fields such as environmental technology and economics.

20. The principle of 'mature balance benefit' must play a role in relations with neighbouring countries in Europe. Your rapporteur believes that in any case participation by EFTA countries in certain European programmes should be revised in this light.

Balanced relations with due regard to the interests of all parties are vitally important if such relations are to last and to be stable. Opening up Community research programmes to third countries is good in principle but the converse is also true: a number of non-Community European countries are at a high scientific and technological level. The interaction between the EEC and those countries in these fields must be made more effective. For example, information sciences in Czechoslovakia and mathematics in Hungary are very advanced.

21. Entering into or consolidating links with third countries must be accompanied by a consolidation of the internal cohesion of the European Community. There is no denying that the Community's current interest in the countries of Central and Eastern Europe is causing concern to the Southern European Member States in particular. Their fear that the funding intended for them will diminish considerably is understandable. For this reason the principle of solidarity between the twelve Member States needs to be explicitly reasserted.

IV. POSSIBLE RELATIONS WITH THE COUNTRIES OF CENTRAL AND EASTERN EUROPE

22. As stressed above, the most important element of the changes in Europe is the fact that - thanks to the current political reforms and liberalization in the East - in future we shall be able to maintain political relations with all third European countries.

To this extent the European Community is facing a new challenge - an extremely exciting one given the role which it will be able to play in the continent of Europe as a whole and, more importantly, the hope which the countries of Central and Eastern Europe have invested in it as the symbol of democracy.

23. In future, then, we shall have to regard the countries of Central and Eastern Europe as partners and the special treatment which we nevertheless grant to them, albeit only in the context of this report, must be regarded as aid to third European countries whose level of economic development justifies preferential treatment on our part.

24. This approach is necessary for another, fundamental political consideration, namely the psychological distinction between the Community's relations with the countries of Central and Eastern Europe and such relations with the USSR. The radical change which is taking place is, of course, the cutting of the umbilical cord between the USSR and its (former) satellites. If we wish to assist the current developments in those countries we must regard them as independent partners comparable to other European countries belonging to EFTA.

The implication is - and we shall develop this line of thought in our final report - that the rules of 'mutual benefit balance' also apply to the countries of Central and Eastern Europe.

V. THE NEED FOR AID FOR RESEARCH AND TECHNOLOGICAL DEVELOPMENT

25. There is no question of the political responsibility of the European Community towards the countries of Central and Eastern Europe. This is the springboard for the aid which, as is well known, has already started to be paid. It is of fundamental importance if the countries of Central and Eastern Europe are to be in a position to launch the structural reforms they need.

The aid programmes which the European Community is able to promise are of course dependent on the actual implementation of these reforms within a reasonable space of time.

The free elections which have taken place in Poland and Czechoslovakia and which are planned for the other countries strengthen our optimism in this respect.

26. Your rapporteur fully subscribes to the conditions which have been laid down with a view to granting aid in the context of the group of 24, i.e. compliance with a number of principles: the rule of law, respect for human rights, political pluralism, the holding of free elections and economic liberalization with a view to the introduction of a market economy.

27. This Community aid, which in our opinion is intended as aid in the medium to long term with a view to accelerating economic development, should be tightly structured and should relate to clearly defined sectors which are essential for economic and social development.

Aid for research and technology satisfies these criteria. These sectors are of prior importance for economic development in a modern industrialized society, but also for improving living conditions and health. Inadequate aid

by the Community can, however, seriously impede the present structural reforms. Aid for science and technology should be regarded as one of the most important aspects in technical and financial aid to the countries of Central and Eastern Europe.

VI. STATE OF SCIENCE AND TECHNOLOGY IN THE COUNTRIES OF CENTRAL AND EASTERN EUROPE AND ANALYSIS OF AID REQUIREMENTS

28. The structures in the countries of Central and Eastern Europe differ very considerably. A quantitative evaluation is extremely difficult. All we have are very incomplete data of mediocre quality, mostly based on statistics which are difficult to compare or to collate and which often need to be interpreted with caution. We are therefore forced to regard the main problems of the countries in Central and Eastern Europe with a certain amount of reservation.

In general it is clear that each of these countries has a priority need for restructuring and thorough-going modernization.

29. Development of science. Standards in laboratories and research institutes can only be regarded as relatively satisfactory in areas where sophisticated equipment is not required. This is particularly true of mathematics in Hungary. However, in areas where ultra-modern equipment, e.g. computers, is needed the quality of the work is unsatisfactory. The number of research workers is by no means on the low side, but they have suffered considerably from the political and ideological restraints of the climate prevailing in scientific circles in the countries of Central and Eastern Europe until very recently.

There is therefore a considerable need for equipment, but also for training, exchanges, contacts with academics in the European Community and in the Western World in general.

30. Technological developments. In many respects the situation is disastrous. Their structure and production methods are such that firms can only with the utmost difficulty convert applied research to technological development and in turn to mass production. It is worth enquiring, however, whether the production objectives of such firms should not first be reviewed before there can be any talk of acquiring technology. They have no capital, no properly trained workers and no modern equipment, although, as indicated above, individual countries differ considerably.

The technological aid that we can grant must therefore be tailored to the ability of local existing structures to absorb such aid.

There is therefore no point in talking about the transfer of technology if the firms are not able to make proper use of it.

Certain sectors, such as telecommunications, need to be recreated lock, stock and barrel, which is an interesting prospect for the European Community. All the major Member of the European Community have technological and industrial know-how in telecommunications which could benefit the countries of Central and Eastern Europe. For this reason these countries are a very promising market in terms of investments for industry from the Community - a fact that the Japanese seem to have fully grasped, given the capital movements they have made in recent months, most notably towards Austria as a financial centre.

31. Finally, environmental research is another sector where Community action is a must.

The situation resulting from the large-scale use of brown coal, two to three times as many base materials and energy per unit production than in the market economies and the absence of environmental protection measures is very serious. In Poland, for example, 95% of water in rivers is not fit for human consumption.

The consequences can also be felt in the European Community since pollution does not stop at the frontiers of the polluting country. All the more reason for our taking action.

As far as energy production is concerned, we should also focus on the safety of nuclear power stations using reactors of the Chernobyl type.

VII. PROPOSALS FOR SCIENTIFIC AND TECHNOLOGICAL AID

32. The question is: what form should the aid take? Should the specific programmes of the framework programme be thrown open and, if so, which ones and how? The underlying problem will not be solved simply by throwing open Community programmes. In fact, the problem is to what extent the universities and firms in these countries can really benefit, in terms of science and technology, from participation in these programmes and how they can make a financial contribution to them. The low level of the budget appropriations for our specific programmes means that the Community is not at present in a position to finance such participation without the people of the Member States suffering the disadvantages.

Nevertheless, your rapporteur proposes that the programmes aimed at the mobility of research workers (SCIENCE, SPES, Major Installations or the Environmental Research Programme) should, to a certain extent, be thrown open to academics and researchers in Central and Eastern Europe.

33. To ensure budget clarity and to increase the effectiveness of this aid, we feel it would be advisable, however, to create programmes specifically directed towards these countries. We therefore recommend two programmes:

- The 'EAST' programme (European Assistance for Science and Technology) to assist in more rapid modernization of the research structures and to expand their scientific and technological capacity,
- The 'GREEN' programme (General Research in Environment for Eastern European Nations), aimed at the acquisition of know how and scientific and technical facilities to combat pollution resulting from the production of various types of energy (in particular Chernobyl-type nuclear power stations) and from industrial processes which are particularly harmful to the environment.

34. If it is to be effective, Community action will need to extend over a number of years. We therefore propose that the life of the EAST and GREEN programmes be set at twice four years, a total of eight years. The emphasis must be on the initial four-year period, with gradual phasing out of the

programmes in the second four-year period. This formula will make it possible to modify and change the programmes if necessary.

This is because the aid must be of limited duration. The objective must be to enable the countries of Central and Eastern Europe to undertake responsibility for themselves after this eight-year period and to forge contacts with other third European countries.

35. Given the number of countries that could apply for such assistance and given the scope of the problems, the Community will be under considerable financial pressure, not least in the light of the current scarcity of budgetary resources. Amending the financial perspectives should permit a re-examination of this question in line with recommendations made in the past by the Committee on Energy, Research and Technology.

We believe that the Community's contributions towards science and technology could amount to approximately 10% of those for the Framework programme, i.e. 150 to 200 million ECU per year for the two programmes for the first four years. The contribution in the second four-year period would be scaled down progressively.

This contribution must be regarded as an additional appropriation. The programmes need to tie in with the Framework programme to achieve optimal synergy between science and technology in the European Community and in the countries of Central and Eastern Europe. The ultimate aim should be to integrate these programmes in the Framework programme.

36. This aid only makes sense, of course, if it complements our own research activities and if the same priorities apply. It is the task of the Commission to determine the precise scope of the EAST and GREEN programmes. In this connection the Commission, which has a considerable expertise in particular via the COPOL committees, in cooperation with the responsible authorities and scientists in Central and Eastern Europe, must carry out a very detailed evaluation of the needs which these programmes have to satisfy. Your rapporteur wishes to lay particular stress on the importance for this survey of needs to be identified in cooperation with the countries of Central and Eastern Europe. We must make sure that no aid is granted solely pursuant to our own criteria, since this would force the countries in question into the position of mere aid recipients.

37. We believe that as far as the Community itself is concerned the Commission should concentrate on the following points in the EAST and GREEN programmes.

EAST

38. Scientific research: priority should be given to the retraining and mobility of research workers at all levels, to overcome the effects of long-term isolation. However, we must guard against a brain drain, particularly in the initial period when it will be much more attractive for scientists in Central and Eastern Europe to work in the European Community than to stay in their own countries.

We must therefore concentrate on expanding and modernizing or updating existing structures. In particular we must provide firm, comprehensive contacts between institutions and universities in East and West.

The Commission has useful know-how in this respect (ESPRIT network, open biotechnology laboratories).

39. Technological developments: as stated above, the aid in this sector is much more complex.

The activities must, of course, include the transfer of technology and training.

One possibility would be for firms and laboratories in the East to 'sit in' on a number of specific programmes such as ESPRIT, BRITE, EURAM, RACE and take part in specific projects to familiarize themselves with the work without the need for any official or financial commitment in the first few years.

Given the number and great variety of projects, participation by countries of Central and Eastern European in EUREKA would not only be a political signal showing that these countries belong to a greater Europe, but participation would also have practical benefits even if, in the initial period, the number of participating firms would be necessarily very limited (firms from the USSR, Yugoslavia and Hungary are already taking part).

40. As far as transfers of technology are concerned, we cannot side-step the COCOM regulations. This is one of the reasons why we continue to make a distinction between the countries of Central and Eastern and the USSR. At present we feel it would be realistic to lift most of the restrictions on trade in 'sensitive' products between East and West for the countries of Central and Eastern Europe. The USSR is a separate issue, of course. The aim must be to prevent the countries of Central and Eastern Europe acting as transit countries for technology on the way to the USSR.

41. Another problem is the restructuring of production of a number of major national undertakings in Central and Eastern European countries, in particular arms producers. The EAST programme can assist and facilitate this restructuring.

GREEN

42. With regard to the environmental research programme we feel there is a great need for improved interaction with the Community programme for environmental research.

The GREEN programme is likely to result in changes in existing production systems, the introduction of standards which are consistent and generally applicable and a list of dangerous chemical and technological products.

The GREEN programme must also make it possible to establish a monitoring and alarm network for air, soil and surface waters, the ultimate objective being the harmonization of policy and environmental standards in the countries of the East and other countries of Europe. Furthermore, in late April the Polish Parliament adopted a national plan for protection of the environment, somewhat less than half of which is being financed by the World Bank, and which would tie in perfectly with the GREEN programme.

In this sector, too, effective control of pollution necessitates large-scale transfers of technology.

43. If the European Parliament agrees to EAST and GREEN, we expect the Commission to submit these programmes to Parliament within a period of nine months.

VIII. THE NEED FOR EMERGENCY AID

44. We cannot sit idly by during the 12 to 18 months' preparatory period of the programmes. The stakes are particularly high. There is an ever-present risk of stagnation, if not of political, economic and social crisis. This could seriously delay the progress we require and frustrate the hopes we have invested in the democratic development of these countries.

Our activities in the science and technology sector are of fundamental importance and must therefore be launched as soon as possible. This is why we propose special emergency aid which should be as unbureaucratic as possible.

45. The intention is to start in the very near future action with a life of a maximum of 18 months to two years based on the solidarity of the peoples of the European Community with their neighbours in the countries of the East, more or less reflecting the spontaneous or organized solidarity with Poland, Hungary, Czechoslovakia or latterly during the Christmas period with Romania.

46. This operation under the motto 'LET'S GO EAST' (Let European Technicians and Scientists GO EAST), could include the following initiatives:

- Sending teams of scientists from the European Community to spend three to six months in the countries in question to offer immediate aid by permitting a modernization of existing structures and hence stopping the brain drain which started several months ago in the countries of the East. The teams can also start setting up networks of research workers and scientists, as proposed in the EAST programme and they can also help the Commission and the authorities responsible for science management in the countries in question to evaluate needs;
- Attendance by scientists and research workers from Central and Eastern Europe at colloquia, congresses and study meetings in the European Community. Our political contacts have frequently shown the very considerable material difficulties (e.g.: obtaining an air ticket) facing scientists who wish to take part in conferences. It is precisely this type of specific problem that we can solve!
- Purchase of scientific and technical equipment. There is a chronic lack of laboratory equipment and equipment for research purposes. It could be very useful to send in new or used equipment, particularly once the teams of scientists sent out in advance have established where needs are most pressing;
- Partnership or joint ventures between businesses in east and west Europe. Firms in the European Community need to be encouraged to find one or more partners in the same branch of business with which they can establish relations in order to acquire scientific and technological know-how, management and information on each other's markets.

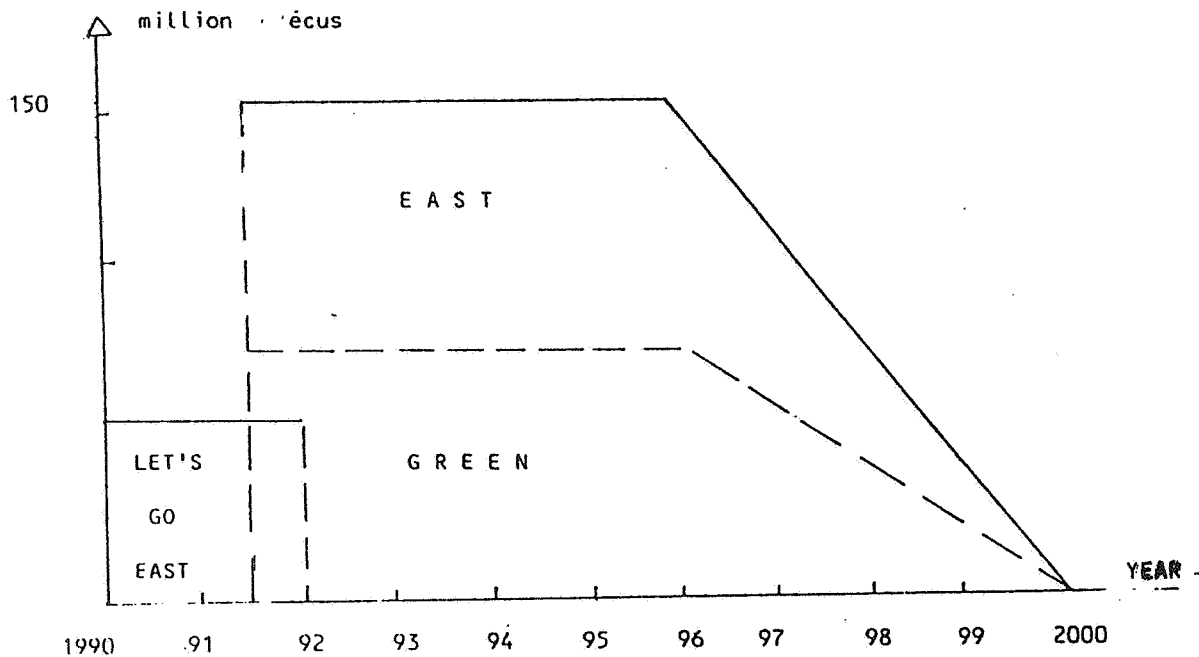
This operation could be carried out pursuant to UNICE and at a subsequent stage the European firms could benefit from it by adapting to the market in the East. The same consideration applies to the European Trade Union Conference.

47. The importance of LET'S GO EAST lies not only in the immediate results but also in acting as a preliminary, bridging stage for the EAST and GREEN programmes.

It can be implemented without much bureaucracy. It can be carried out under the auspices of the special PHARE unit set up by the Commission and it would only need a very small budget.

48. In conclusion: the research and technological development aid which we have in mind involves opening up a number of Community programmes, an emergency programme lasting 18 to 24 months which must start immediately, and two medium-term programmes for scientific and technological aid - the EAST programme and the GREEN programme - over two successive periods of four years.

The following graph shows Community measures for the countries of Central and Eastern Europe (funds and periods involved).



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- F. endorsing the decision taken in the Group of 24 meeting on 4 July 1990,
1. Expresses its deep sympathy to the bereaved and the injured and to the Romanian people;
 2. Calls for a full and impartial investigation into the circumstances surrounding the reported deaths and the allegations of ill-treatment;
 3. Calls for the immediate and unconditional release of those detained solely on grounds of non-violent political activity;
 4. Appeals to the recently elected Romanian Parliament to find the means of guaranteeing that the human and civil rights of all citizens are respected fully, and calls on its members to pass legislation to that effect forthwith;
 5. Congratulates the Romanian Army for distinguishing between the defence of the state and defence of the party in government in refusing to suppress opposition groups;
 6. Welcomes the declaration by Mr Millan, in the name of the Commission, that the draft agreement initialled on 8 June 1990 will not be submitted to the Council for signature unless a significant improvement in the situation occurs and human and minority rights are clearly safeguarded;
 7. Asks the Commission not to resume technical assistance to Romania, with the exception of humanitarian aid administered through recognized organizations;
 8. Expresses the hope that the present government will dissociate itself completely from those who, as the mainstay of the Securitate system, committed atrocious crimes against the Romanian people over a period of 40 years;
 9. Emphasizes the need to raise the question of the political situation in Romania at future conferences held in the context of the CSCE;
 10. Instructs its President to forward this resolution to the Commission, the Council, the Foreign Ministers meeting in European Political Cooperation and the Romanian Government and Parliament.

3. Relations with third countries, including Eastern Europe

— Doc. A3-174/90

RESOLUTION

on scientific and technological cooperation between the European Community and other European countries: aspects of cooperation with the countries of Central and Eastern Europe

The European Parliament,

- having regard to the framework agreements for scientific and technological cooperation and the specific agreements implementing such cooperation between the European Community and Sweden, Switzerland, Finland, Norway, Austria and Iceland,
- having regard to the trade and cooperation agreements between the EC and most of the countries of Central and Eastern Europe,
- having regard to initiatives already taken by the EC in favour of Central and Eastern Europe, in particular the PHARE programme, but also the European Centre for the Development of Vocational Training and the mobility programme TEMPUS,

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- having regard to the creation of the European Bank for Reconstruction and Development,
 - having regard to the conclusions of the European Council in Dublin on 28 April 1990,
 - having regard to the interim report of the Committee on Energy, Research and Technology (Doc. A3-174/90),
- A. having regard to the serious plight of the countries of Central and Eastern Europe and the aid which the EC has already been called upon to supply,
- B. having regard to the extremely critical situation of the economic systems of the Central and Eastern European countries and having regard to the need for far-reaching, structural changes,
- C. whereas rapid, well-balanced social and economic development of the countries of Central and Eastern Europe is essential for the success of the process of democratization in those countries and, hence, is a contributing factor towards peace in Europe,
- D. having regard to the very serious pollution of the environment in those countries and the unmistakable effect this has on the countries of Western Europe,
- E. having regard to the role of dependable partner which the EC will increasingly perform in the continent of Europe as a whole,
- F. whereas the EC will therefore have to provide support, as soon as possible, for the process of change in Central and Eastern Europe in the form of economic and political measures, not least in response to the expectations of these countries with regard to the EC,
- G. whereas legal and administrative obstacles impeding cooperation between the European Community and the countries of Central and Eastern Europe should be reduced to the absolute minimum,
- H. whereas, on the one hand, these countries must be fully capable of competing at the international level in order to reap the benefits of economic growth and, secondly, the markets of the Central and Eastern European countries afford economic prospects for European industry,
- I. whereas the efforts to support the countries of Central and Eastern Europe complement solidarity which has already been shown, internally and externally, and whereas the obligations already entered into within and outside Europe must not suffer from new obligations towards the countries of Central and Eastern Europe,
1. Welcomes the democratic developments of recent months in the countries of Central and Eastern Europe;
 2. Stresses that the new political situation that has arisen is a new challenge for the European Community and that it will therefore perform a pivotal role in the continent of Europe as a whole;
 3. Is thoroughly convinced that action taken by the European Community is a key factor in assisting the countries of Central and Eastern Europe along the path they have chosen towards democracy and a market economy and that here, too, the EC has a fundamental political responsibility;
 4. Stresses, however, that any action taken by the European Community can only be undertaken if the present reforms of the political and economic systems of those countries are maintained and consolidated;
 5. Recalls the decisive role of scientific and technological research in the economic and social development of modern (post—) industrial society and therefore believes that massive support is needed for an exchange of know-how;
 6. Calls for a realistic and pragmatic approach to the problems, and for a balance to be found between each country's capacity for such exchange and its actual needs;

7. Believes that in order to maintain a cohesive Community policy Community action in favour of the countries of Central and Eastern Europe in technological research and development should be based on the same criteria for all countries involved;

Medium to long-term

8. Believes that in the new political context the EC should strive towards establishing relations akin to those with EFTA with the Central and Eastern European countries;

9. Calls therefore on the EC to use the principle of 'mutual balance benefit' as the basis for all relations with non-Community European countries, without losing sight of the fact that aid and assistance to the countries of Central and Eastern Europe will be required temporarily for many years to come;

10. Proposes establishing two medium-term aid programmes for the countries of Central and Eastern Europe:

- 'EAST' (European Assistance for Science and Technology), to assist and accelerate the changes in research structures and to consolidate scientific and technological potential,
- 'GREEN' (General Research in Environment for Eastern Nations), aimed at the acquisition of know-how and scientific and technical resources as weapons in the struggle against the problems of the environment which are partly the result of energy production (this is particularly true of the use of lignite as a fuel and nuclear power stations of the Chernobyl type) and partly the result of industrial production processes;

11. Proposes that priorities under the EAST programme should include:

- (a) additional training and mobility of research workers as a means of overcoming the consequences of long-term isolation, with particular reference to the creation of networks between universities, laboratories and European Community research centres (including the Joint Research Centre) and the countries of Central and Eastern Europe, improvements in the status of researchers to keep brain-drain to a minimum, and increasing the numbers of women active in scientific and technological cooperation;
- (b) financing for the contribution made by university and industrial researchers to projects already being carried out in Community universities and private and public research laboratories and industrial research laboratories,
- (c) identifying and implementing precisely defined strategic research projects,
- (d) approving common industrial standards,
- (e) fostering cooperation between businesses in East and West, e.g. by organizing seminars, works visits and traineeships, management training and the setting up of databases;

12. Proposes that the following should be essential features of the GREEN Programme:

- (a) environmental technology is developed for cleaner production processes, and a common set of rules for environmental impact assessment is drawn up,
- (b) consistent and generally applicable environment standards are developed and introduced, and
- (c) facilities for the supervision and management of air, soil and water are developed (e.g. satellite monitoring or air pollution detectors),
- (d) instruments for environmental management are devised by businesses and governments specifically for the Eastern European situation,
- (e) a joint programme is drawn up on energy yield in industrial production cycles and in agriculture;

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13. Believes that the EAST and GREEN programmes should follow on directly from the framework programme for research and technological development (R and TD) and be integrated in the fourth framework programme, with a further adequate budgetary appropriation being allocated;
14. Proposes that in the framework of the EAST and GREEN programmes — which should have a maximum life of 8 years — the Community should make available for the first 4 years an extraordinary financial contribution equivalent to 10% of appropriations of the framework programme for R and TD, with the proviso that this percentage is gradually diminished in the following years;
15. Invites the Commission to submit to the European Parliament before the end of 1990 specific proposals which can be rapidly implemented on the basis of a thorough survey and analysis of the problems and requirements, drawn up in cooperation with the responsible authorities and scientists in each country in question;
16. Believes that the updating of the financial perspectives should be fully utilized so that the budget reflects the consequences of the measures in favour of Central and Eastern Europe;
17. Believes that with a view to the creation of a European Economic Space and in the light of existing agreements on scientific and technical cooperation the EFTA countries should participate, e.g. in the form of substantial funding, in the Community action in favour of the countries of Central and Eastern Europe;

Short term

18. Believes that, given the seriousness of the political and economic situation, there is a need for emergency aid of limited duration from the EC to bridge the period until implementation of the EAST and GREEN programmes;
19. Proposes that this emergency aid be granted under the title 'LET'S GO EAST' (Let European Technicians and Scientists GO EAST) and should include the following action:
 - (a) sending teams of scientists and experts from the European Community to the countries in question for three to six months to:
 - assist local research teams;
 - establish networks of research workers and academics from Eastern and Western Europe, in particular through university-industry joint research projects and scientist-exchange schemes;
 - assist in securing the most accurate and specific assessment possible of the capacities of these countries (having regard in particular to the quality of the research conducted and its industrial and commercial applications), and their science and technology needs;
 - to help them in identifying as rapidly as possible their sectoral policy priorities, in particular in the areas of telecommunications and technologies for improving energy productivity;
 - (b) financial assistance for participation by scientists from Central and Eastern European countries in colloquia, congresses and seminars organized by the EC,
 - (c) providing scientific and technical equipment (new and second-hand) to meet the most urgent requirements;
20. Calls on the Commission to finance this emergency aid programme in particular through the funds available for the PHARE programme;
21. Believes furthermore that the programmes on human resources and mobility (SCIENCE, SPES, Major Installations) in the framework programme for R and TD can be opened up to Central and Eastern European countries;

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22. Expresses its satisfaction following the narrowing-down of the categories of advanced-technology products subjected to COCOM rules, and hopes that this trend will continue, in particular in relation to computers and telecommunications, to enable the economic structures of the Eastern European countries to be rapidly modernized by facilitating technology transfers;
 23. Believes that there is also a need in this context to verify the means and rate at which scientific and technological capacity linked to military production activities can be converted or geared to civil purposes;
 24. Believes that a network should be created to convert military industries to civil purposes;
 25. Calls on the interministerial EUREKA conference to lay down, in the near future, the conditions for admitting the countries of Central and Eastern Europe so that businesses in such countries can be involved in the various EUREKA projects subject to detailed regulations being laid down in future;
 26. Calls on the Council to take steps in the framework of the ministerial meetings between the European Community and the EFTA countries to ensure forthwith that all partners are involved in the efforts for scientific and technical aid to Central and Eastern Europe;
 27. Instructs its President to forward this resolution to the Commission, the Council, the Economic and Social Committee, UNICE, the ETUC and the principal laboratories and research centres of the Community, and to the parliaments and governments of the countries of Central and Eastern Europe.
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