

**Address by Jacques Santer,
President of the Commission,
to the European Parliament
on the occasion of the investiture
debate of the new Commission**

Strasbourg, 17 January 1995

Commission's programme for 1995

[COM(95) 26 final] 9 February 1995

**Presentation to the European Parliament
by Jacques Santer**

Strasbourg, 15 February 1995

**Resolution of the European Parliament
on the programme for 1995**

Cataloguing data can be found at the end of this publication.

Luxembourg: Office for Official Publications of the European Communities, 1995

ISBN 92-826-9755-X

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Printed in Belgium

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**Address by Jacques Santer,
President of the Commission,
to the European Parliament
on the occasion of the investiture debate
of the new Commission**

*Mr President,
Members of the European Parliament,
Ladies and gentlemen,*

This is an historic day for the Community. For the first time you, the representatives of the peoples of the States of the Union, are voting to formally approve a new Commission, and for the first time new Members from Austria, Finland and Sweden are sitting here. May I take this opportunity to extend a particularly warm welcome to you. We look forward to sharing the great challenge of European unification with you in future.

Parliament's vote heralds a new era in relations between our two institutions. I welcome this development because it marks a further step on the road to greater democracy in the Union, and because your vote of approval will give greater legitimacy to the Commission over which I shall be presiding.

Europe needs a strong Commission with a strong Parliament to defend the common interest. This is what we are required to do and what we are determined to do. This Commission will be political in the finest sense of the term: it will serve the common good.

On your side, likewise, I sense a similar determination to serve the citizens and peoples of Europe. You will find us to be constructive partners as well as willing and honest brokers.

We shall be helped in our task by the tremendous achievements of Jacques Delors and his colleagues. In his 10 years at the head of the Commission, Jacques Delors has shown what vision combined with competence and a sense of duty can achieve.

On this important day for Europe let me express my most sincere thanks to Jacques Delors; you deserve well this Union to which you have given so much.

I am proud to succeed you at the head of an institution that is crucial to the future of Europe.

*Mr President,
Members of the European Parliament,
Ladies and gentlemen,*

Europe has witnessed great events over the past five years: Germany has been united, Communism has fallen. But, as Vaclav Havel has said,

everything is possible but nothing is certain any more. We are experiencing once again the resurgence of rabid nationalism, erupting in some cases into bloody conflict, as in what was the former Yugoslavia. This tragedy teaches us one fundamental lesson: it is more important than ever that the Union remains an axis of peace and prosperity for the continent of Europe.

First of all, we must preserve and develop what we have built over the past 50 years. It is something of a miracle that war between our peoples should have become unthinkable. To squander this legacy would be a crime against ourselves.

Secondly, the Union cannot be a haven of peace in a troubled sea. Hence the importance of future enlargements. Hence, too, the importance of developing a genuine foreign and security policy.

The Union itself is emerging from a difficult period. I realize that many of our fellow citizens have their doubts about a Europe of which they do not always feel a part.

The future of the Community can no longer remain the prerogative of a select band of insiders. Europeans are insisting on making their voices heard, on participating in what has become a central feature of their lives; and rightly so. Unless we satisfy these demands our venture will fail. People want clear answers to their questions. What is the Union doing to strengthen our economy and provide jobs for the unemployed? What is the Union doing to promote greater solidarity and to improve the quality of life? What is the Union doing to make Europe's voice heard in the rest of the world? What is the Union doing to bring its institutions closer to the people and make them more democratic, more efficient, better managed? The answer to these questions will sum up the programme which I am to present to you today. We will implement this programme together. But first, my colleagues and I would like to consider with you and the Council how we might review the 1990 code of conduct so as to work together more efficiently. The Maastricht Treaty is in force now, after all, and that implies a number of changes. This will involve, among other things, examining the issue of withdrawing proposals that a majority of MEPs have voted against and the approach to adopt amendments made at second reading. As I see it, as President of the Commission, it is

obvious that when these matters are examined, Parliament's views must be given the high political status they deserve.

What I have just said is proof that this Commission and each of its members is firmly committed to close cooperation with the European Parliament, and this came through very clearly during the discussions I had yesterday with my colleagues.

That is this Commission's policy, and I hope to have well and truly laid to rest any misunderstandings which may have arisen in recent days.

A strong economy to create new jobs, that is my first priority. The merit of the White Paper which was approved by the Heads of State or Government is that it suggests an overall approach to competitiveness and growth. That is important, because what Europe lacks is not assets but a strategy to obtain the maximum benefit from them.

In five years' time our competitive position must be considerably improved. But there is no point in a strong economy unless everybody benefits. The Union must be a Union of solidarity. That is a moral imperative and much more: for me, solidarity in itself is a factor for growth and economic dynamism. That is the message which I would like to give you today.

A strong economy: the single market is central to growth and prosperity. Enormous progress has been made in recent years.

But it is still not sufficient. I am going to set myself four essential objectives: to complete the legal framework, to simplify the rules, to enforce them and to ensure healthy competition.

1. First, complete the legal framework in key areas such as energy and telecommunications. But liberalization goes hand in hand with the principle and the application of the concept of the universal service, so that all citizens of the Union can benefit from it.

2. Second, simplify, at all levels, national and regional included. The internal market is there to make life easier for operators and consumers. Eliminating customs formalities, replacing 15 rules by a single rule, doing away with millions of forms, that is something important. But all too often our compromises impose unnecessary complications on firms and, in

particular, small businesses. And it is precisely small businesses which create most jobs and have always done. There are 17 million small businesses in the Union. Just imagine, if each one of them could create one extra job ...

3. Third, rules must be applied properly on the ground and in a comparable way throughout the Union. There are regrettable delays in the transposal of directives into national law. The examples I can give are insurance, public procurement and the environment. The Commission will assume its responsibilities and if necessary ask the Court of Justice, under Article 171 of the Treaty, to impose financial penalties on Member States which do not comply with a judgment. Moreover, implementation of the Union's rules must be accompanied by a comparable system of penalties in the Member States. That is and will remain something for them to decide. But I wonder if the idea of inserting penalty clauses in directives is not worth promoting.

4. Fourth objective, competition. Even a game on a level playing field still needs a referee. This is the role of the Commission, which will be strict in enforcing the rules on abuses of dominant positions, restrictive practices and State aids. A word on mergers: here too we must be very strict. But, given the global nature of certain markets, this does not mean that we should reduce our firms to be dwarfs in comparison with rival giants from other countries.

*Mr President,
Members of the European Parliament,
Ladies and gentlemen,*

If the newly completed single market is to be fully effective, there will have to be modern and efficient transport, energy and environment infrastructures. With regard to transport, the Essen European Council took a decision on the start-up of 14 major projects before the end of 1996. Ten other major energy projects will complete the initiative. The projects must now be put into effect, which means first of all mobilizing the necessary funds, from both public and private sources. The administrative and legal obstacles will also have to be overcome.

The Commission will work enthusiastically on them and will waste no time in preparing the guidelines for the environment network infrastructures.

A dynamic research and development policy is one of the keys to success. The Union will spend over ECU 12 billion under the fourth framework programme. I can see interesting prospects in such innovatory areas as the 'green' car, the reduction in health expenditure, energy efficiency and the fight against fraud.

In the years to come I would like to see increased emphasis laid on a concentration of our research resources with research and industry brought even closer together and small and medium-sized businesses given easier access to programmes. I hope that we shall at last apply the principles of mutual consistency and coherence of national policies with Community policy as required by the Treaty on European Union.

The economy can have no dynamism without a highly efficient education and training system. The fight for employment begins with the improvement of vocational training for young people and the development of continuing training. I wish to stress the important role which firms themselves must play here.

The Union Treaty has given us new instruments for education and training which will enable the Socrates and Leonardo programmes to start up in 1995. These programmes must be made to operate effectively and openly.

Education and training will derive direct benefit from the information society, a real technological revolution. The potential of this revolution is gigantic: it means markets representing billion of ecus, huge gains in competitiveness, new status-enhancing jobs, enormous progress in medicine and education. Europe must not miss out. Indeed, because it is so important, the Commission will be organizing a G7 ministerial conference on the subject in February.

The current process is irreversible and universal. Rather than submit to it we must direct it. Let us quickly implement the action plan proposed by the Commission. But I would like to go further. I want the Union to be at the fore with European technologies, products and services.

Technological progress must contribute to cultural and linguistic diversity in Europe. We will therefore also have to develop a strategy concerning content. I want to see European traffic on the global information highways.

But that does not mean that access to networks and services should be limited to the most fortunate sections of society. If we are not careful, knowledge will divide us. Whereas we want the opposite, we want it to unite us. I know that Parliament will be at our side in this endeavour. If we want a strong economy, we must also have a strong single currency with no internal exchange risks. This would enable us to develop the full potential of the large market and stimulate investment. A single currency will bring substantial benefits to people in their everyday lives. And not forgetting that Europe needs an international monetary status to match its economic and social weight.

There must be no departing from the path towards economic and monetary union mapped out in the Treaty. Not so long ago economic and monetary union seemed doomed, swept away by speculation. Since then it has picked itself up again. But beware. A monetary project will mean nothing if it is not based on credible action. For that reason the Treaty lays down convergence criteria. The Commission will insist that they are strictly applied. The Member States will in turn have to assume their responsibilities and not ease their efforts just because the economic situation has improved. It is a matter of sound management. Do we really want to forgo the lower interest rates that would be made possible by a policy designed to reduce public deficits?

The Treaty also lays down time-limits. They must be observed. The Commission will accordingly prepare a catalogue listing the preparatory work necessary in addition to what has already been done by the European Monetary Institute. Likewise it will prepare a Green Paper on the conditions for the transition to a single currency.

I am optimistic. Economic and monetary union will, I am sure, come to pass. It will change people's lives.

*Mr President,
Members of the European Parliament,
Ladies and gentlemen,*

Competitiveness, growth yes! But I do not want economic growth which leaves out part of our population. I do not want growth which widens the gap between regions. I certainly do not want growth which destroys the environment for us today and for our children. On the contrary, I want growth which implies social

solidarity, regional solidarity and solidarity with future generations. This is necessary for reasons of fairness, justice and morality, of course. But also, I repeat, for the sake of economic prosperity.

Social solidarity first. Growth is necessary to create jobs. But it is not sufficient. So a genuine employment policy must be introduced. I am encouraged by the fact that the Essen European Council ranked employment among its priorities. The five recommendations which it adopted go in the right direction: training, reduction in indirect wage costs, efficiency of the labour market, specific measures for young people, women and the long-term unemployed, and employment-intensive growth — that is the right road to follow.

The recommendations are addressed to the Member States. It is up to them to prepare multiannual programmes. The Commission will monitor carefully the employment situation together with the Ecofin and Social Affairs Councils. Why not set up multilateral surveillance of employment systems?

I am aware of the importance this Parliament attaches to the fight against unemployment. The Commission wants you to be fully associated with this vital struggle for the future of our society. A wide-ranging public debate on this theme in the European Parliament before the end of the year would be a good thing.

The public authorities have their role to play but they cannot do everything. The social partners must be involved. My own experience in that respect as Prime Minister of Luxembourg has been very positive.

Employment is the top priority. But it is a grave mistake to think that this battle will be won by dismantling our model of society. As President of the Commission, I will not endorse such an approach. Serious reforms are of course necessary to reconcile a high level of social protection with economic reality. It is the only way to ensure the durability of the European model.

The Commission will shortly be presenting action programmes to implement the White Paper on European social policy. The Commission will play the active part assigned to it by the Treaty in preparing the social dialogue and seeking increased social convergence between Member States.

I am sorry that we were not able to advance together at Maastricht. I hope that in 1996 unity between all 15 members will be restored and that we will take a new step together towards a social Europe. In addition to safeguarding all that has been achieved, we will need to generate coherence to enable society to respond to developments in technologies and lifestyles.

Particular attention will be given to equality between men and women. It is a democratic imperative. Parliament is quite right. I have taken on board your message that came across during the hearings, and I intend to act on it. First, I would mention that we have put together a special group of Commissioners, for this is a highly important issue. Following the observations made by Parliament, we acknowledge that equality between men and women must run all the way through the Commission's activities: it is not just an employment issue. My colleagues and I have agreed that this group is to be an open one which I shall chair myself. The challenge of poverty and exclusion is just as big. In Europe the ranks of the poor, the badly housed and the excluded are on the increase. This is intolerable. I am not asking for new powers for the Commission. But the fight against social exclusion is a duty which transcends institutional quarrels. I am prepared to explore all possibilities, in whatever context, in the search for remedies.

I will never tire of repeating that the European project is a comprehensive one and regional solidarity is an integral part of it.

This is not just about commitment to fairness; it is also a source of economic wealth. Fortunately the groundwork has been largely completed with the changes introduced by the Maastricht Treaty and the twofold increase in the Structural Funds that was agreed on in Edinburgh to foster greater economic and social cohesion.

With the assistance of the European Parliament and the Committee of the Regions, the Commission will be concentrating on:

- partnership arrangements between itself, the Member States and the regions that produce results;
- analysing in an objective way the impact of the Funds in the field;
- encouraging local development.

As stipulated in the Union Treaty, in the run-up to 1996 we will be drafting a detailed progress report which we will use to provide new impetus.

Earlier I referred to regional and social solidarity, but I think there is another wider type of solidarity, namely our duty to future generations. I touched on this when I mentioned education, reducing public deficits and large networks. I would now like to consider it from the point of view of sustainable development, that is development which meets today's needs without jeopardizing future generations' chances of meeting their needs. This will also involve discussing our quality of life in a wider sense.

We must make a success of the transition towards a more environment-friendly economy. We have come to realize that economic performance is itself dependent on making the best use of our natural resources. By staying at the leading edge of environmental protection, we will actually be creating new jobs.

I think action should proceed on three fronts. First, we must enforce the existing rules. Our Community is founded on respect for the rule of law and the Commission is the guardian of the Treaties. Second, we must incorporate an environmental dimension into other policies. Third, as proposed by the Commission, we must introduce 'green accounting' in the Member States and the Union.

Quality of life: for over 70% of the Union's population this means the quality of urban life. The alarming increase in problems connected with social deprivation, crime and pollution in many of our towns and cities obliges us to reflect carefully on these problems.

With due regard for the principle of subsidiarity, what we need is an overall vision of urban problems and of the various instruments which we have or could develop at Community level as well as at national, regional and local level. Parliament has put considerable emphasis on this in its resolutions.

The regeneration of rural areas and smaller towns is another priority area concerning the quality of life. They should be conserved for their high environmental value, and the balance of rural life should be restored in all its aspects — economic, social and cultural. This involves putting new life into the common agricultural policy. The implementation of the 1992 reform

is making good progress and bodes well for the future of the policy and of the rural environment. Quality of life is also about freedom. All too often the public are left feeling that the single market was purely business-oriented. They do not understand why there are still identity checks at borders within the Union. After reading the Treaty and what it says in Article 7a, I wonder why people are still having to wait in long queues at airports.

Then there is the endless bureaucratic nonsense that sometimes makes moving from one Member State to another a real obstacle course. It continues to amaze me that something as ordinary as a driving licence is not always recognized automatically anywhere in the Union without further ado. I would like to see a bit more common sense and more room for mutual recognition. I feel that our authorities should make more of an effort to put themselves in the public's shoes. Because of mutual suspicion, different authorities, legal systems and control bodies rush to hide behind protectionist measures, escape clauses and exceptions, making life difficult for ordinary people with all this red tape.

All this is of relevance to consumers too. The Commission has just published a consumer guide, and the new Commission will be taking it a step further by publishing a complete guide to consumer rights in the single market in the coming months. The guide will be written in layman's language and will set out the positive benefits of the single market as well as identifying its shortcomings and the remedial action that has been taken or planned.

To go with the elimination of borders within the Union, cooperation in the fields of home affairs and justice will need to be stepped up. People want to be able to travel freely, but they also want to feel safe and know that effective steps are being taken to combat crime, drugs and illegal immigration. Given the rather meagre results achieved by the third pillar, I cannot help wondering whether the Member States are lacking the will to act together in this field, or whether it is the instruments at our disposal which are unsuitable. The new Commission will make use of the powers conferred on it by the Treaty to ensure that the potential of the third pillar is exploited to the full. However, I do not feel that the current arrangements are up to the task. Our contribution to the Intergovernmental Conference in 1996 will

be aimed at making concrete improvements to the decision-making procedures, building on those evolved by the Community. In this area which is so important to the general public, the European Parliament should also have its say.

The Union has specific duties towards its own citizens, but it also has a broader role to play in exemplifying human rights. It worries me to see the rise in racism and xenophobia in our countries and I share your concern at this. The Commission will be fully involved in the joint Union strategy outlined at Essen. The fight against this scourge will be an important part of education, social affairs and culture — to name but a few policy areas.

The Union is the world's largest trading power. This is why, even more than in the past, it should be a strong and respected player on the international stage, both to defend its own legitimate interests and to promote a fairer world. Europe should speak with one voice. Indeed, this is precisely what the rest of the world expects from us — there are times when one cannot help feeling that Europe is taken more seriously abroad than at home.

To maintain its position on the international stage, the Union will first and foremost have to make coherent use of the Community instruments at its disposal, particularly as regards the common commercial policy. The new Commission is determined to play its part fully in this field, not out of hunger for power but out of a commitment to efficiency. Therein lies the key to promoting the interests of the Union, the Member States and the business world.

The completion and ratification of the Uruguay Round showed the influence which Europe can bring to bear even on such powerful trade partners as the United States when we decide to act in unison. This is a good example to follow. The institutions are at times far too suspicious of each other, as shown by the recent Court of Justice ruling on responsibility for trade matters. This is detrimental to our ability to act, and we need to restore a climate of trust. The Commission must take its responsibilities on board when negotiating on behalf of the Union and in doing so keep the Council and the European Parliament fully informed. I shall make it my personal duty to see that it does.

The Union is an open partner and will remain so, because it is in our own best interest. The Commission will encourage our trade partners

to play by the same rules. They must open up their own markets and remove those trade barriers which undermine the Community's rights that are duly recognized by the World Trade Organization. European businesses do well in world markets that are genuinely open. The Commission will not hesitate to use our trade policy instruments to prevent others from plundering our intellectual property or dumping their products on our market.

It must be emphasized, incidentally, that the need to balance the social and the economic does not apply in our part of the world alone. Not that I am arguing in favour of protectionism — far from it; the point is simply that if we want to see a more balanced world trade system, economic considerations go hand in hand with social ones. The UN social development summit in Copenhagen in March will be an opportunity for the Union to get this message across to the world.

The environment also needs an international response: the climate, biodiversity and the reduction of pollutant emissions are global issues. The Union should be spearheading progress here too. The 1992 conference in Rio seemed to usher in a new era, and yet the process has become bogged down. But we have set some new dates: the G7 meeting on the environment in April and discussions on the environment in the World Trade Organization. I hope that the Union will seize these opportunities to relaunch the process.

The Union must continue to play its leading role in development cooperation and humanitarian aid, for they both contribute to peace and stability in certain areas of the world. It is essential to be active out in the field and the Commission will be doing just that. It will be helped by the new chapter on Community policy introduced by the Maastricht Treaty.

Mr President,

Nobody could deny that the Union is an economic giant and yet this is not reflected in the political role it plays. This is why the Maastricht Treaty set out to lay the foundations for a more ambitious political approach by developing a common foreign and security policy. This has yet to produce the expected results. One of the major difficulties is our failure to develop a coherent approach that encompasses political, economic and development aspects. The common foreign and security policy is still too

much of a continuation of the old political cooperation arrangements with a more attractive name. The division into pillars partly explains the difficulties, but the main difficulties are in our minds.

We have got to do better! We should focus on a single concern, which is just as relevant now as it was when the European Community was set up, namely: what are our common interests? Can we share them, so as to do things together more effectively than any of us could do individually?

In any case, our Member States have not only common interests, but most of the time common reactions too. For decades now we have had a whole series of foreign policy instruments which we happily make use of without any fuss. For example, the Lomé Convention and the numerous trade, partnership and cooperation agreements which we have concluded and continue to negotiate with many countries.

So what is stopping us from having a real common foreign and security policy? The lack of a global and coherent vision.

A common foreign policy is above all about concerted effort and planning. The Commission will be actively involved in this, not to try to take over from the Member States, but to help bring our policies together and give them the missing strategic dimension.

The Commission should start by setting a good example.

I have reorganized the structure of external relations along geographical lines, so that a member of the Commission with responsibility for a given area of the world will be responsible for all aspects of it. Let me be clear that this reorganization will in no way hinder the horizontal approach as regards the multilateral aspects of the common commercial policy, the common foreign and security policy and development cooperation. I mention development cooperation because there have been some misunderstandings on that score. The new Commission has also decided to step up coordination of external relations very considerably, and here too I will be chairing a group of Commissioners, which is to meet on a regular basis. As part of this, I shall also be responsible myself for human rights, which I see as an essential component of external relations. I would add that to be credible in this area we

must be absolutely exemplary within the Union itself.

Our common foreign policy should apply to the whole world, but I would first like to talk about our immediate neighbours.

As regards the countries of Central and Eastern Europe, the wheels have already been set in motion. This means that, as decided in Copenhagen in June 1993 and confirmed since then, we will eventually be welcoming them into the Union.

The Commission will be actively implementing the pre-accession strategy adopted at Essen in all its various aspects. Our immediate priority will be a White Paper on integrating these countries into the single market.

Careful consideration will have to be given to the relationship between the accession of these countries and common policies such as the common agricultural policy and the Structural Funds. The Commission will be publishing another White Paper by the end of 1995 dealing specifically with agriculture.

The European Council has emphasized the need to balance our relations between our neighbours to the East and our neighbours to the South. The situation in the Mediterranean must be addressed. We need to devise an ambitious proximity policy with a clear aim — to make the Mediterranean an area of prosperity and trade once again.

This will not be easy. In addition to the specific negotiations we are currently holding, we will also have to strengthen our overall approach. The opportunity for this will be provided by the Euro-Mediterranean Conference which is to be organized by the Spanish Presidency.

In 1995 the Commission will draw up the report requested by the Council on Malta and Cyprus, whose accession to the Union will give it a stronger Mediterranean flavour. The development of relations with Turkey, an important partner for the Union, is under close scrutiny and a thorough appraisal is being made.

We are already closely involved in developments in the Middle East and naturally have a vital interest in actively promoting the peace process there.

While we are on the subject of our immediate neighbours, we cannot fail to mention relations with Russia and the other members of the CIS,

which are going through a difficult period, accompanied in some cases by serious disturbances, for example in Chechnya. The Union must do all it can to help these countries along the road to democracy and a market economy. It is in our interest to have partners that are constructive and willing to cooperate. Peace, nuclear safety, immigration and organized crime are just some of the important issues which can be tackled only by cooperation. Looking further afield, the close relations we enjoy with our OECD partners remain a high priority — and transatlantic links are particularly important in this respect. We have heard the odd gloomy prediction about Americans becoming less and less interested in Europe, but, quite frankly, I do not believe this. We are and will remain very close partners. Just look at the volume of trade crossing the Atlantic, which is not only enormous but also fairly evenly balanced. And think of our common interests in security and defence. My view of our relationship is not pessimistic but lucid and realistic: Europe must be united if it is to stand as an equal to the United States. Personally I am in favour of a genuine transatlantic treaty which would make life easier for all of us.

We are now beginning, a little belatedly, to grasp the importance of Asia. The attention of the whole world is fixed on this rapidly expanding continent. Europe cannot afford to be absent from Asia, nor does it want to be. But the Asian countries must all demonstrate their willingness to open their markets to real competition. I am in favour of the idea of a summit between Asia and Europe.

Another part of the world which is booming — and with which our civilization has very close ties — is Latin America. Regional groupings have begun to emerge there, no doubt influenced by the European model. I am sure this will pave the way to interregional agreements, for example, between Mercosur and the Union.

The Union was a pioneer in establishing the Lomé Convention. Africa, the main beneficiary, is still confronted with enormous problems. It will not be neglected by the Union, which will continue to play a leading role. South Africa is one of the signs of hope in this tormented part of the world. I hope very much that South Africa will be a vital factor in the development of the whole continent and the Union must be at its side now that wisdom and

good sense, personified by President Nelson Mandela, one of the century's true statesmen, has finally prevailed.

The Union faces enormous challenges, which are a reflection of the progress already achieved along the road to European integration. We have just welcomed three new Member States — I am only sorry there are not four — and many other countries are knocking at the door. They are attracted by the kind of Europe we have built and its message of peace, prosperity and democracy.

We have a moral and political obligation to open our doors to those European countries which were under Communist dictatorship and could not join us earlier. But we also have a duty to preserve the Union's assets and not to let our achievements waste away. If the price of enlargement were to backtrack on the road to integration, then everyone would lose out. It is precisely because the Union has such high ambitions that these countries are asking to join.

On the contrary, we must take another giant leap forward, just as we have done at previous enlargements. This will require institutional reform.

However, let us take immediate advantage of the accession of Austria, Finland and Sweden to make our institutions more efficient and democratic.

I can see two ways of doing this.

(i) First, we must make a constant effort to concentrate on essentials, to do at Community level only that which cannot be done at national level, in short to apply the principle of subsidiarity enshrined in Article 3b of the EC Treaty. It is important to remember that the worst enemy of subsidiarity is the lack of trust between Member States. I sometimes have the impression that for some countries subsidiarity means 'Keep a close watch on what my neighbour does, but leave me alone'. Subsidiarity has another enemy, namely those who deliberately want to interpret it as a way of curbing integration and so use it as an excuse to bring matters back under national control, while forgetting to apply it in cases where the Union is better placed to act. I have a different notion of subsidiarity: it means not harmonizing every last nut or bolt, but stepping up cooperation wherever this is really worth it. We should take as our motto, 'Less action, but better action'.

I would also like to mention another aspect of subsidiarity — the interface between the individual and government. Authorities should be given powers only where this is in the individual's interests. The Community institutions need to be particularly careful in this respect.

(ii) This brings me to my second point: management. To my mind, the Commission has to make a special effort in this area. It is true that 80% of the Community budget is spent by the Member States, but that does not release the Community from its own budget responsibilities. And both Parliament and the Court of Auditors are constantly reminding the Commission of this. My colleagues and I are determined to improve the Commission's budgetary and administrative culture, and I would like to stress the importance of constructive relations with the Court of Auditors and Parliament in this area. Where criticism is justified, we will act on it. One subject which I know is a cause of concern for many Europeans, not least the Members of this House, is fraud affecting the Union's financial interests. Let us make the fight against fraud a common priority, at all levels. Everyone has a role to play: the Union institutions can simplify legislation and insert anti-fraud clauses wherever possible; both the institutions and the Member States can help, as managers and inspectors, by remembering at all times that the money they spend belongs to the European taxpayer; the Member States alone have the power to impose penal sanctions.

While improving the way the Union works and doing more to exploit the full potential of the Treaty is clearly essential, it is not enough when one considers the prospect of a Union with over 20 members. The Corfu European Council very clearly established a link between enlargement and the 1996 Intergovernmental Conference.

While it is too early at this stage to set out what the Commission's position will be in 1996, there are a few thoughts I would like to share with you.

First, the form. There must be a real public debate in the Union and the Member States alike. It is very important that Parliament be directly involved in the negotiations. I am pleased that Ms Guigou and Mr Brok are members of the high-level group. I would add that, in my view, Parliament's assent should be required for any amendments made to the Treaty. Obviously the national parliaments will

also take part in the public debates. For Maastricht, you organized joint meetings with the national parliaments, which were very useful. This time, however, might I venture to suggest that the President of the European Parliament and the speakers of the national parliaments could organize a comparable debate between now and June on deepening our institutions?

With regard to the content, there are reforms which must be implemented whether the Union is enlarged again or not; provision is made for this in the Treaty. But any future enlargement will necessarily entail reform because the present system, even if it is improved, will be unable to function properly.

With these two aspects in mind, the Intergovernmental Conference will have to examine the Union's main areas of activity first and then the institutional framework.

I do not see any need to make major changes to the first pillar as it stands. Qualitative changes may be needed, but there is no need for additional powers to be conferred on the European Community. However, the Treaty calls for energy, tourism and civil protection to be examined, and social policy will probably have to be reviewed too.

I would like to make one point very clear: the Commission will not support any dilution of the Union's *acquis* brought about in the name of enlargement. Applicants will have to accept the *acquis*, though the Union may have to give them time to make the transition. We are willing to help potential new members make a start now.

I have already spelled out how important I consider the formulation of a consistent, effective foreign policy to be. The Treaty also commits us to a common security policy and, eventually, to a common defence. This will undoubtedly be one of the key issues at the Intergovernmental Conference.

How, in practical terms, can we establish a link between the Western European Union and the European Union? What sort of relationship should this regional system have with NATO? What matters will we have to negotiate with our partners? Who will belong to WEU? All these questions and many others must be carefully studied. We have to build a system which will foster balance and peace across the whole

continent, in a reconstructed partnership with the major world powers.

It is my view that the rules governing the functioning of the third pillar must be thoroughly re-examined, especially since there is keen interest in cooperation in justice and home affairs in Central and Eastern Europe.

The Union needs an efficient institutional framework. There was already room for improvement in a Union with 12 — and now 15 — members. The prospect of further enlargement only makes these improvements more urgent.

The institutional question can be broken down into three separate issues:

- (i) composition;
- (ii) working methods (including the question of the Presidency); and
- (iii) decision-making procedures.

The Commission's proposals will all be aimed at increasing efficiency without destroying the necessary checks and balances. This will take a good deal of thought, as will the institutional questions about which I would like to say a few words.

There are three main points to be borne in mind:

- (i) with each new enlargement, it is essential to concentrate increasingly on what really needs doing at the level of the European Union;
- (ii) the extra distance that each new enlargement puts between individual citizens and the centre makes it increasingly necessary to reinforce the democratic legitimacy of the Union. This will mean expanding the role of the European Parliament, be it with regard to codecision, budget powers or the appointment of the Commission. What about allowing Parliament to elect my successor from a list put forward by Heads of State or Government?;
- (iii) each new enlargement adds to the pressure for a multi-speed Europe. I do not see how we can refuse to debate the option, especially since it is an approach which has already been used and which has enabled the Union to move forward. Let us be quite clear though: a multi-speed Europe does not mean exclusion or Europe *à la carte*. No Member State can be arbitrarily kept out of the vanguard; no one has the right to reject countries that are both willing and able to take on the extra responsibilities that implies. Nor should the doors be closed on

those who are not yet ready; they must be allowed to join in as soon as they fulfil the necessary criteria. On the other hand, this kind of approach must not be used as a pretext for eroding the *acquis* or weakening the Community's institutions.

To sum up, Mr President, ladies and gentlemen, my message is a threefold one: determination, commitment, hope.

As you will have realized, the Commission I will be heading is to be determined and open: determined to work for the common good, determined to keep the Union's institutions strong. You will be our allies in this. Today I am pledging to work together with you in a spirit of openness, to report to you and account for all my actions. Ultimately, or rather first and foremost, this is what democracy is all about.

I am deeply committed to ensuring that the new Commission's day-to-day work is firmly rooted in a reaffirmation of our shared values and the noble objectives that underlie European integration, especially as preparations get under way for the Intergovernmental Conference. We must show more fighting spirit and reject the attacks of those who would seek to solve tomorrow's problems with yesterday's tired old formulas. We should not shy away from opposing those who claim to be good Europeans but spend all their time condemning the Community model.

I am an optimist by nature and I have every reason to be: with the support of the Commission, the European Parliament and the people of the Union, including all those who devote themselves so wholeheartedly to the work of our institutions. In the run-up to the new millennium the Union will be stronger, show greater solidarity and be closer to its citizens.

*Mr President,
Ladies and gentlemen,*

We have now come to the end of this confirmation procedure, throughout which I have done my utmost to be responsive to the European Parliament.

I strongly urged governments to put forward women for the Commission, and a quarter of the members designate are women. I also insisted on having political people, and this is going to be a political Commission.

Against the advice of my predecessor, I accepted the principle of individual hearings, as called for in the Froment-Meurice report. But I did insist that the principle of the Commission's collective responsibility should not be questioned and that members designate should not be asked to make commitments they are not entitled to make.

To help the hearings run smoothly, I kept the promise I made you, Mr President, to form the Commission and allocate the portfolios before 1 November 1994.

And in my speech today I have tried to respond as far as possible to the criticisms made during the hearings and dispel any misunderstandings which may have arisen.

So I feel that my colleagues and I have cooperated constructively and in good faith with this House.

It is now up to you, Mr President, ladies and gentlemen, to give your verdict.

The Commission's work programme for 1995

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Explanatory notes

Each item is identified by a small square (□).

The description of each is so drafted as to bring out its content and purpose.

The following identifiers are used:

- * forthcoming proposals which at first sight will require an environmental impact assessment
- ° forthcoming proposals which, it would appear at first sight, should be preceded by broad discussions
- °° forthcoming proposals which, it would appear at first sight, should be preceded by a notice in the Official Journal announcing that legislation is to be introduced
- °°° forthcoming proposals which at first sight require specific assessment of their impact on business in general and on small business in particular

Introduction

In this speech to the European Parliament on 17 January, President Santer mapped out the broad policy framework for the Commission's work over the next five years. This first annual programme of the new Commission is designed to put flesh on the bones of that framework for the coming year.

The 1995 programme marks the start of a five-year term for both the Commission and the European Parliament. This promises better long-term planning and holds out the prospect of even closer cooperation with Parliament. It also offers an opportunity for the widest possible consultation of the Union's citizens, regional and local representatives, and those in the economic and social sphere.

The aim in this programme is to meet the imperatives of subsidiarity, transparency and effective Community decision-making, to enhance the democratic status of its institutions and to work in confidence with our citizens.

The main thrust is clear:

- Building a strong economy to create new jobs.
- Establishing economic and monetary union on sound economic foundations.
- Strengthening economic, social and regional solidarity.
- Improving cooperation in the fields of justice and home affairs.
- Establishing the Union as a strong and reliable partner in the international arena.
- Managing the Union better.
- Preparing for the Intergovernmental Conference in 1996.

These topics are dealt with and translated into practical action in the sections that follow.

By practical action we mean first and foremost new initiatives and legislative proposals planned in 1995. The single market project has now entered a phase that calls for less legislation. There are, then, fewer new proposals. But those we do make concentrate on essentials, in line with the principle of subsidiarity, and this programme maps out the priorities. It should also be noted that some of these are proposals requested by the Council and the European Parliament while others are still outstanding from the 1994 work programme. The detailed programme and timetable are contained in the annex.

Secondly action is needed to secure a certain adoption of proposed legislation already on the table with the Council and Parliament. We must clear our desks of unfinished business.

Thirdly the programme covers a certain amount of pre-legislative work in the form of Green and White Papers. Eventually these may lead to firm proposals.

Finally the programme sets out the main lines of action to implement the Union's policies — in other words the day-to-day management of these policies in compliance with the rules of the Treaty.

The Union is entering a decisive stage in its development. This programme, the first of the new Commission, is a programme of both specific and broader action. It will enable us to face up to the tremendous challenges awaiting us as we prepare to enter the 21st century, in particular the prospect of further enlargement. Cutting unemployment, strengthening solidarity at every level, establishing a single currency, forging a common foreign and security policy, making our institutions more efficient and more democratic: those are the major priorities that will guide our efforts.

1. Building a strong economy to create jobs

1.1. Internal market

The consolidation, completion and enhanced visibility of the single market in which goods, persons, services and capital effectively move freely must be the cornerstone of the Commission's activity.

A fully operational large market is the prerequisite for economic expansion capable of making a decisive contribution to the establishment of a strong economy with job-creation potential; economic cohesion resulting from its optimum operation will undoubtedly facilitate progress towards monetary union. Increased visibility will heighten public awareness and will make for a wider consensus for a united Europe.

The objective includes the need to perfect and reinforce, at Community and national level, the legal and administrative framework to serve citizens and business, and to take action on taxation, which is an important factor influencing their activities.

(i) Main initiatives and new legislative proposals

Consolidation of the internal market requires the Commission and the Member States to ensure strict observance of the existing rules. This should involve stricter monitoring of Community regulations, making sure that national implementing legislation is in fact fully effective and that the citizen has the necessary means of action to assert his rights. Such observance is the key to any action aimed at completing the internal market, first by ensuring that the principle of mutual recognition is applied as broadly as possible, and second, in accordance with the subsidiarity principle, by adopting measures designed to eliminate any persistent impediments to enjoyment of the full benefits of the new economic and legal environment and of its practical effects.

Free movement of persons. Freedom to travel, practical application of the principle of the elimination of border controls, adaptation of secondary legislation.

Right of residence. Recasting current legislation, incorporating the decisions of the Court of Justice to take into account the scope of Union citizenship and filling in gaps in the existing system.

Recognition of qualifications: simplification and extension of the general system in force for craft trades and other business activities. (°) (°°)

Follow-up to 1992 Green Paper on pluralism and concentration in the media. (°°°)

Copyright and neighbouring rights. Harmonization of measures relating to private copying of sound and audiovisual recordings. (°°°)

Supervision of insurance companies which are part of an insurance group. (°) (°°) (°°°)

Pension funds: rules to coordinate the participation of managerial staff in funds in their country of origin when employed temporarily in another country so as to facilitate their employment.

Prudential regulation of financial conglomerates.

Credit establishments and investment companies: prudential treatment of commodities risks. (°) (°°°)

VAT. Work on a finalized system.

Excise duties. Harmonization.

CO₂ tax.

(ii) Main legislative proposals pending

European Company Statute.

Creation of Community designs and models.

- Harmonization of national law on designs and models.
- Profession of lawyer: minimum conditions.
- Cross-frontier payments.
- Protection of personal data.
- Legal protection of databases.
- VAT on the carriage of persons.
- Social security for migrant workers.

(iii) Launching of debates

- The internal market as a favourable environment for business and citizens, as the driving force behind growth and job creation, and a prerequisite for economic and monetary integration: assessment of the progress towards its completion and its perception by the citizen, verification of the practical application of the rules and the completion of harmonization where necessary.
- Provide momentum for achieving an area of effective European mobility, based on the ideas and recommendations of a high-level expert group.
- The Commission is carrying out a detailed study of problems concerning the application of the public procurement rules. On this basis it plans to define a new approach to the question, pointing out solutions to make their applications more effective.
- With a view to the accession of the Central and East European countries to the Union, a detailed study will be made of the legislative situation from the point of view of internal market rules. The Commission will draw up for the Cannes European Council a White Paper containing guidelines for action by these countries for the alignment of their legislation with that of the Union.
- Green Paper on intellectual property in the information society.
- Green Paper on encoded broadcasting.
- Green Paper on commercial communications.

(iv) Implementation of policies

In 1995 the Commission's priority tasks concerning the internal market include strict enforcement of the existing rules, implementation of the Uruguay Round agreement, the adoption of regulations arising from enlargement, the continuation of trade arrangements with the EFTA countries and completion of the new generalized system of preferences.

1.2. Competition

The Commission will create a level playing field by taking action against restrictive agreements, concerted practices, abuse of dominant positions, mergers which are incompatible with the common market, and unfair government subsidies and exclusive rights. It will take account of the competitive challenges facing European businesses on the world market so as to keep the single market competitive and maintain competitive markets and thereby promote industrial efficiency in Europe through the free operation of market mechanisms.

Competitiveness will not be achieved without rigorous control of government subsidies to ensure that Member States do not reintroduce protectionist measures that give an unfair advantage to businesses operating on their territory. Certain monopolies will have to be gradually broken up where general economic requirements can be served in a satisfactory way by companies subject to the normal rules of competition. At the same time work will continue on revising the merger-control Regulation.

As regards agreements in restraint of competition and abuses of dominant positions, the Commission will further step up implementation of competition policy by exercising its power to outlaw restrictive agreements and to issue individual or block exemption decisions.

The Commission will pursue this task by stepping up cooperation with the Member States' national authorities and establishing priorities, with the aim of dealing with cases of Community interest and reinforcing the decentralized application of Articles 85 and 86. Rules covering block exemptions to be finalized and adopted in 1995 concern agreements on technology transfers, automobile distribution and maritime consortiums. The Commission will

take steps to implement at individual level the general principles adopted in the June 1994 report to the Council on the application of competition rules in the multimodal transport sector.

As regards non-member countries, a key objective will be to provide technical assistance to the countries of Central and Eastern Europe so that they will adopt and implement competition policies based on Community rules as envisaged by the Europe agreements, and to extend cooperation between competition authorities, both bilateral and multilateral, especially in the context of the World Trade Organization in response to the challenge of the globalization of world trade.

1.3. Industrial competitiveness

Rapid implementation of the industrial competitiveness policy adopted by the Commission last September is vital to the restoration of a healthy employment situation. It pinpoints four priority areas: the promotion of intangible investment, the development of industrial cooperation, reinforcement of competition inside and outside the Community and modernization of the industrial role of the public authorities. Measures corresponding to these priorities will be implemented through the redirection of existing policies which have an impact on industry and the launch of new initiatives. The general objective is to improve the position of European industry on markets with a potential for growth, added value and employment.

(i) Main new initiatives and legislative proposals

The implementation of a programme of Community action to promote the competitiveness of Community industry. (*) (°°°)

(ii) Launching of debates

Work programme and timetable for implementing the measures set out in the communication on an industrial competitiveness policy for the European Union.

Commission communication on industrial cooperation with the Central and East European countries.

Commission communication on the promotion of quality.

Green Paper on foodstuffs legislation.

Green Paper on the development of instruments for industrial cooperation to encourage initiatives at Community level.

Green Paper on information technology and telecommunications industries: promoting a new kind of partnership between the public and private sectors.

(iii) Implementation of policies

A detailed description of the action taken by the Commission to implement the industrial policy will be presented to the Council and Parliament in a report on the implementation of Council resolutions and conclusions in respect of industrial policy.

The Commission will also present an annual report on the competitive position of European industry and communications on certain industries.

The Commission will continue the work to follow up the presentation in June of the report by the group on simplification of legislation and administration (Molitor Group).

Acting on the Essen European Council conclusions, the Commission will set up a high-level group to address the question of the competitiveness of the European economy and to produce reports.

The Commission will be taking action at once on the Council's priority areas, such as the establishment of a database on the obstacles encountered by European firms on third-country markets, industry-research task forces and ways of improving links between research and industrial competitiveness (see Section 1.8).

1.4. Employment and job creation

A major priority for the Commission will be underpinning the concerted European Union effort to address the problem of unemployment,

which began with the White Paper on growth, competitiveness and employment. The road to a more employment-intensive pattern of growth requires a combination of sound macroeconomic policies and fundamental reforms of Member States' employment systems in order to ensure that growth delivers the largest number of jobs possible.

The conclusions of the Essen European Council were an important step forward in this process. Member States will now translate the five main points of structural reform identified at Essen into multiannual programmes and the Ecofin and Social Affairs Councils have been asked by the European Council to monitor developments and to report on progress by December 1995.

The Commission will also report at the same time. In so doing, the Commission will seek to reinforce the Essen process by ensuring maximum coordination between the work of the two Councils principally concerned and will work towards the establishment of a multilateral surveillance mechanism in the employment field, analogous to that already created in the context of economic convergence.

The Commission will attach particular importance to ensuring the full involvement of the social partners in this process and will take all possible steps to promote the strengthening of the social dialogue at European level. In this context, the Standing Committee for Employment will be expected to play a key role.

The Commission will shortly come forward with concrete suggestions on how this complex process could be managed.

(i) Main new initiatives and legislative proposals

- Re-examine the mandate and composition of the Standing Committee for Employment.
- Redesign existing employment action research programmes (ERGO, LEDA).

(ii) Main proposals pending

None.

(iii) Launching of debates

- Commission communication on the Essen process.

(iv) Implementation of policies

- Continued coordination through regular meetings of the Directors-General for Employment and Social Security.
- Assistance for the social dialogue.
- Publication of the annual 'Employment in Europe' report.
- Monitoring of the contribution of the Structural Funds, notably the ESF, to the achievement of the employment action plan adopted at Essen.

1.5. Small business and tourism

The White Paper identified small businesses as the most important source of employment in the European Union. It is therefore essential to use the integrated programme to improve and simplify the administrative and regulatory environment in which they operate and to enact effective measures to assist them. The integrated programme for small businesses and the craft sector provides a basis for better coordination of action on small businesses in the Union's policies. It also ensures effective concerted action between Member States at various levels and the policies of the Union. Moreover, the multiannual programme of Community measures for enterprises (Council Decision of June 1993) will continue to provide support to small businesses.

The Commission will continue its work on areas such as access to financing, credit and information; cross-border cooperation between businesses; improvement of management quality and adaptation of small businesses to structural change; making it easier for small businesses to gain access to public contracts and to Community policies in areas such as research and development, standardization and the Structural Funds.

(i) Main initiatives and legislative proposals

- Definition of small businesses. Preparation of a working document aimed at reconciling the various approaches used by Member States, leading ultimately to preparation of a Commission recommendation to the Member States. (*)
- Second action plan for tourism (together with a report on the evaluation of the results of the first action plan). (*)

(ii) Main legislative proposals pending

- Directive on statistics for tourism.
- Three regulation regarding: the status of European cooperatives, European mutuals and European associations.
- Three directives concerning: the role of those working in European cooperatives, European mutuals and European associations.
- Action plan for cooperatives, mutuals, associations and foundations in the Community.

(iii) Launching of debates

- Green Paper on tourism.
- Preparation of the new multiannual programmes for small business.
- Preparation of Communication regarding the European Observatory for small business.
- White Paper on associations and foundations.

(iv) Implementation of Community policy

- Implementation of the integrated programme for small business.

The Commission will act in conjunction with the Member States to exchange experience and best practices in the field of improving and simplifying the business environment for small businesses and providing services to them.

Preparatory work for the renewal of the Council Decision of June 1993. In 1995 the Commission is to report on future cooperation of networks; coordination between different Community programmes of specific interest to small business; follow-up the Berlin Conference and possible action for the craft industry.

Promoting initiatives for improving international cooperation, in particular Euro-Partnership and subcontracting

1.6. Regional policy — Regional dimension of economic and social cohesion

Regional policy is one of the major instruments for strengthening economic and social cohesion which is and has to remain a fundamental objective of the Union and will have to be taken into account in the formulation and the implementation of the Union's policies and actions. Regional policy, in line with this objective, has to make an important contribution in the fight against unemployment.

The decision concerning the legal base and the financing of the Structural Funds for the period 1994-99 provide the framework for implementing regional policy.

During this period new challenges have to be taken into account in the execution of the different programmes:

Introduction of economic and monetary union will change the dynamics of our economic and integration policy. Regional projects should help countries to prepare for the third stage of EMU.

Regional policy must strengthen active measures on urban problems to prevent the appearance of new pockets of social deprivation.

To ensure transparency and partnership the regional and local levels and the social partners have to be closely involved in programming and programme implementation.

Cross-border cooperation within the European Union and with our neighbours in the East and South will assume increased importance .

□ Proper monitoring of financial flows, tight financial control and evaluation of project success rates must ensure that the Union's regional policy is achieving its goal.

Spatial development planning will also be more important, not as a substitute for structural policy and reducing regional handicaps and disparities, but as an integrated approach by the Community to sustainable development, prudent management of natural resources, better balance between big conurbations and rural areas, and regional cooperation.

Another important political element of the Commission's work will be to deepen its working relations with the Committee of the Regions in 1995, in particular by seeking to identify, regardless of whether consultation is compulsory or not, the topics on which it is to the advantage of both sides to obtain the Committee's opinion and then by ensuring appropriate follow-up to these opinions.

(i) New initiatives and legislative proposals

The Essen European Council on 9 and 10 December approved the principle of a ECU 300 million multiannual Structural Funds programme for 1995-97 for Northern Ireland and the border counties in Ireland.

The Commission will be proposing implementation of the Community initiative, which will have reconciliation as the main objective and will have to apply in an even and balanced manner to the two communities and focus on the regions and population groups with the greatest needs.

(ii) Main proposals pending

None.

(iii) Launching of debates

In 1995 work will also begin on drawing up a status report on cohesion in the Community and a study on the future of cohesion policy with a view to future enlargements, taking account of ties to be forged around the Medi-

terranean and the Euro-Mediterranean Conference.

Under the French Presidency a debate will be launched with the Member States on land-use planning in Europe on the basis of a master plan put forward by the Commission.

(iv) Implementation of policies

As regards structural policies, following the finalization of programming documents for 1994-99 and Community initiative programmes, in 1995 emphasis will be put on implementation of the measures so as to ensure follow-up, intermediate assessment and effective monitoring of the use of Community resources.

This will also involve optimum coordination with other Community financial instruments (EIB, EIF, the EEA mechanism) with the Cohesion Fund and with other Community policies, in particular environment policy.

The accession of Austria, Finland and Sweden and the ensuing massive increase in the territorial area of the Community has introduced several new factors, in addition to the new programming for these regions, particularly as regards cooperation between regions and the provision to be made for the Arctic region.

1.7. Trans-European networks

In its concern to improve competitiveness, create jobs and establish a genuine frontier-free area, the Community will take action to promote interconnection and interoperability between national networks and to link the island, enclaved and remoter areas of the Community more closely with the centre. This will make it possible to increase economic and social cohesion, improve the quality of life, reduce pollution, ease the integration of the new Member States and improve links between the Union and its neighbours (in Central and Eastern Europe and the Mediterranean area). At its meeting in Essen, the European Council identified the projects meriting priority as well as the main obstacles to their implementation. The immediate aims at this time are to ensure adequate finance, encourage partnership

between the public and private sectors and facilitate the public projects of European interest selected by the Council, particularly the 14 transport infrastructure projects (high-speed trains, combined transport, airports, motorways, etc.) already started or scheduled to begin before 1996 and the 10 projects in the energy sector (linking of electricity grids, gas pipelines, etc.).

(i) Main new initiatives and legislative proposals

- Trans-European information networks: overall guidelines for the definition of a general plan for the trans-European telecommunications networks (TEN-Telecom).
- Follow-up to Essen European Council: additional budget aspects.

(ii) Main proposals pending

In 1994 the Commission placed proposals before the European Parliament and the Council for decisions on Community guidelines and the financing of trans-European networks. The Commission will play an active part in the legislative work to secure the adoption of those proposals.

- Community guidelines for the development of the trans-European transport network.
- Financing of trans-European networks.

(iii) Launching debates

- Environment networks: overall guidelines.

1.8. Research, development and innovation

Implementation of the fourth framework programme and its various specific programmes, which were adopted in 1994, will begin in 1995. The resources allocated to these programmes will have to be adjusted to take account of the entry of the three new Member States. Deliberations on the additional financing of the framework programme, on which a

decision has to be taken in 1996, will begin towards the end of the year.

The Council of Ministers and the European Parliament will hold in-depth discussions on the recent communication on cooperation based on the coordination of scientific policies. The contribution to be made by R&TD to meeting new industrial and social challenges will be dealt with in communications on common industrial projects. In 1995 particular emphasis will be laid on technological forecasting with the establishment of the Seville Institute as well as on innovation and the exploitation of results, particularly from the point of view of small businesses.

International scientific cooperation, which is a new aspect of the framework programme, will provide an opportunity for comprehensive deliberations. At the same time, the negotiations in progress with various countries will be completed.

(i) Main new initiatives and legislative proposals

- Fourth R&TD framework programme. Enlargement: adaptation of the amounts for the fourth R&TD framework programme 1994-98.
- Euratom framework programme. Enlargement: adaptation of the amounts for the framework programme of nuclear research and training activities (1994-98). (*)
- Draft resolution on the coordination of R&TD policies based on cooperation; application of Article 130h.
- JET. Amendment of the JET Statute (Joint European Torus: nuclear fusion). Grounds: three-year extension of project (scheduled to expire in 1996); participation of the new Member States.
- Bioethics Convention. Accession to the Council of Europe Bioethics Convention. (°)
- ECU 700 million in additional finance for the launching of the first complementary programmes as provided for in the decision relating to the EC and Euratom programmes (1994-98).

(ii) Main proposals pending

- Conclusion of an agreement on the involvement of Switzerland in the implementation of the fourth framework programme and the Euratom framework programme (1994-98).
- Conclusion of an agreement on the involvement of Israel in the implementation of the fourth R&TD framework programme (1994-98).
- Conclusion of an S&T (science and technology) cooperation agreement with Canada: the Commission to sign the agreement on behalf of the Community.
- Recommendation for a Council decision authorizing the Commission to sign an S&T cooperation agreement between the EC and the Republic of Malta.
- Intelligence manufacturing systems. The Commission has asked the Council for a negotiating mandate; discussions are in progress.
- Memorandum of understanding with Canada in the field of thermonuclear fusion.

(iii) Launching of debates

- Communication on new forms of cooperation under Articles 130k and 130l of the Treaty; implementing conditions.
- Communication on the information society and research (see Section 1.10).
- Communication on better interaction between research and industry (see Section 1.3).
- Commission communication on the overall strategy for S&T cooperation with non-member countries and international organizations.
- Launching of initiatives for joint industrial projects, for example, car of the future, education software, trains and planes of the future and environment technologies.
- Green Paper on legal cooperation instruments in the context of the implementation of Article 130n of the Treaty.
- Working document on better coordination of the activities of the national centres and the Seville Institute in the field of technological forecasting.

- Green Paper on the promotion of innovation policies in the European Union; identification of requirements in terms of finance, human resources, transfers of technology and promotion of risk capital, particularly from the point of view of small businesses.
- Working document on greater consideration for prenormative aspects in Community research programmes in order to promote the competitiveness and interoperability of products and services resulting from research.

(iv) Implementation of policies

- International Energy Agency (IEA): extension of three agreements concerning cooperation programmes in three important fields of S&T relating to thermonuclear fusion (Stellarator Concept; Tokamaks with divertors; large Tokamak facilities).
- Annual report under Article 130p of the Treaty.
- INTAS (International Association for the Promotion of Cooperation with Scientists of the newly Independent States of the former Soviet Union). Commission communication on the continuation of activities.
- Communication on the evaluation of Community R&D programmes.
- Simplification and rationalization of decision-making procedures relating to research projects in the context of the implementation of the fourth Community R&TD framework programme.

1.9. Education, training and youth

The Community programmes in the field of education and vocational training are an essential part of the Commission's policy of bringing Community measures nearer to the European citizen, safeguarding employment and ensuring the future innovative capacities of the European Union. Mobility of students and cooperation between universities will be complemented by practical measures to link schools and pupils and to develop the potential offered by the information society in the field of training and education. Vocational training lies

at the heart of the Commission's preoccupations. The conclusions of the Essen European Council stress the particular importance of improving employment opportunities for the labour force by promoting investment in vocational training. European employment and competitiveness is conditional on this improvement, which must also take account of the full implications of the emerging information society. The Commission will step up its discussions and consultations with the social partners, i.e. industry and the trade unions, in order both to define the direction of Community programmes and to stimulate a discussion on developments at Member State level. The aim is to make a joint, coherent effort to invest in the future competitiveness of Europe.

(i) Main new initiatives and legislative proposals

Token entry.

(ii) Main proposals pending

- Decision on the European Year of Education and Lifelong Training in 1996.
- Socrates programme.
- Youth for Europe programme III.

(iii) Launching of debates

- White Paper on education and training: the levers for the year 2000.
- Communication on education, training and the information society.
- Support for the production of European reference manuals and development of back-up software for Erasmus (student exchange programme).
- Development of exchanges between secondary-level schoolchildren.
- Green Paper on legal, administrative and practical obstacles to the organization of transnational placements or company traineeships for young people in another Member State as part of their vocational training.

Development of a pilot project concerning the creation of technological training at tertiary level.

Transnational pilot projects leading to closer integration of vocational training, research and industry (business, science and training campuses).

Development of cooperation programmes in the field of education and vocational training with the Mediterranean countries, the United States and Canada.

Development of a pilot project in the field of European teachers and curricula in universities.

(iv) Implementation of policies

- Implementation of the 'Leonardo da Vinci' vocational training programme.
- Analysis, dissemination and systematic application of the results of the most effective European experiments in vocational training with a view to the maintenance and creation of employment.
- Meeting of human resources managers of European enterprises.
- Consolidation of the European Training Foundation in Turin and development of programmes of cooperation in the fields of vocational training and higher education (Tempus).

1.10. Telecommunications and the information society

Setting up the information society, in Europe and globally, is recognized as a major priority for the European Union. The Commission has adopted a horizontal approach to tackle the consequences of the convergence of technology in the areas of telecommunications, computers and television, with the prospect of a whole host of new services accessible at a distance and involving practically all sectors. These developments will have a profound structural impact on the economy, and society as a whole, on a global scale. The construction of the information society must benefit all citizens.

Commission initiatives in the information society cover several areas of EU policy. The present work programme contains specific proposals in the respective chapters: television without frontiers and MEDIA II programme (see Section 3.5), communication on the information society and R&D (see Section 1.8(iii)), European programmes on education and training for the information society (see Section 1.9(i)), social and societal aspects of the information society (see Section 3.1).

The action plan for the information society establishes four priority lines of action: a clear and stable regulatory framework, pursued through the progressive liberalization of the telecommunications sector; the development of networks, applications, and content; a thorough investigation of social, societal and cultural issues; and raising public awareness. The overriding aim is to create an environment that will foster investment and private enterprise and that will encourage the formation of partnerships.

The nature of telecommunications is such that it impacts on all sectors of the economy. The main thrust of policy is in the regulatory area, where there are three main lines of action: the progressive liberalization of areas under monopoly, where the European Union can now look forward to complete liberalization of both voice services and infrastructure by 1 January 1998 (subject to transitional arrangements). The 'open network provision' rules characterize the second priority of telecoms policy, which is to facilitate pan-European operation and service operation by ensuring open and non-discriminatory access to networks and services. Finally, the Commission will ensure that competition rules which apply to this sector are fully respected.

These three regulatory axes are supported by actions in the areas of: R&D, standardization, trans-European networks, cohesion, and regional development.

(i) Main new initiatives and legislative proposals

Setting up a telecommunications regulatory framework

- Liberalization of public voice telephony and telecommunications infrastructures (amendment of Directive 90/388). (*) (°) (°°°)
- Ensuring access to networks through ONP (open network provision) proposals. (°)
- Harmonizing the approach to licensing award procedures and selection criteria.
- Amendment of the ONP framework Directive to adapt it to a competitive environment.
- ONP interconnection. (°)

Establishing trans-European telecommunications network

- Community action plans on TEN-IBC, trans-European basic services, trans-European applications.

Content

- Stimulation of Community policy and action for the information content industry and market: proposal for a Council decision (INFO 2000 programme). (*)
- Action plan for the multilingual information society. (°) (°°°)

Information security aspects

- Information security (including the creation of trust services).

Postal services

- Establishing a regulatory framework for postal services: proposals for common universal service definition, quality of services and technical standardization and for the definition of services that could be reserved. (°°°)

(ii) Main proposals pending

Setting up a telecommunications framework

- Directive applying ONP to voice telephony.
- Directive on the mutual recognition of licences for specific categories of satellite services.
- Directive on the mutual recognition of licences for terrestrial telecommunications services.
- Council resolution on further developments of mobile and personal communications in the European Union.

Establishing trans-European telecommunications networks

- Final adoption of Council decision on a set of guidelines on Euro-ISDN.
- Council decision on a Community action plan on Euro-ISDN.

Content

- Advanced television: final adoption of the Directive on advanced TV standards.

Privacy-related aspects

- Directive on the protection of personal data and privacy in the context of digital telecommunications networks.

(iii) Launching of debates

- Green Paper on the liberalization of telecommunications infrastructure and follow-up legislative proposals.
- Communication on the strategic objectives concerning trans-European telecommunications networks infrastructure.
- Communication on the methodology to be applied by the European Commission for the development of the information society.

- Report on the evaluation of the information society on manufacturing and services industry.

- Green Papers on telematics applications for education and training and for health care.

(iv) Implementation of Community policy

Applications related to the implementation of the information society

- Pilot projects and demonstrations stemming from G7 initiatives and decisions.
- Communication on the implementation of national research and university networks.
- Implementation of specific applications developments in areas such as maritime traffic, small business, telecities, telework.
- Development of Information Society Project Office activities.
- Updating the standardization process to ensure greater interoperability (identification of critical interfaces with industry).

Telecommunications

- Implication of the Green Paper on mobile and personal communications. Communications on the evaluation of the CEPT/ERC decision mechanism.
- Participation in multilateral negotiations on telecommunications services in the framework of the World Trade Organization.

Fourth framework programme R&TD activities related to the information society

- Implementation of R&D programmes in the fields of: advanced communications technologies and services (ACTS), telematics applications and information technology; and of the programme on the distribution and exploitation of R&TD results.

Major political events

- G7 Ministerial Conference on Information Society, February 1995.
- Conference on the information society and Central and East European countries.
- Conference on the information society and Mediterranean third countries.
- World Telecommunications Conference, October 1995.

1.11. Energy

Energy policy is an area in which a great deal remains to be done. The Commission recently reopened the debate on the theme of an energy policy for the European Union with the publication of its Green Paper. Given the importance of energy to the European economy and the limited progress made in establishing a single market in this field, energy policy will be a major consideration in the Commission's preparations for the Intergovernmental Conference scheduled for 1996.

In 1995 the main areas for action will be the implementation of the single market in electricity and natural gas for which proposals are before the Council, the completion of the trans-European energy networks, some of which have already become operational, ensuring greater security of supply through cooperation with non-member countries and the implementation of the Synergy programme, the implementation of the provisions of the European Energy Charter in order to establish an open and interdependent European energy market, the exploitation of the new technologies as provided for in the fourth framework programme of R&D and the dissemination of the results throughout the Community economy.

The United Nations Conference on Climate Change to be held in Berlin will provide an opportunity to review the strategy for limiting or reducing CO₂ emissions and the Commission will try to ensure that it comes up with concrete results. Community programmes and measures relating to energy efficiency and the use of renewable sources of energy will also help to combat the greenhouse effect.

Action in the nuclear sector falls into a number of main areas: negotiations under the Euratom Treaty between the Union and the United

States and between the Union and Russia; assessment of the situation with regard to the non-proliferation of nuclear weapons in the light of the results of the Conference of the parties to the Non-proliferation Treaty to be held in New York in April/May; analysis of the operation of the main provisions of the Euratom Treaty.

(i) Main new initiatives and legislative proposals

- SAVE II. (*) (°°°)
- Synergy programme
- Regional and urban energy planning. (*)
- Proposal for essential characteristics of biodiesel. (*)
- Recasting of Regulation (EEC) No 1056/72 on notifying the Commission of investment projects of interest to the Community in the petroleum, natural gas and electricity sectors.
- Illustrative nuclear programme for the Community.
- Integrated resource planning.
- Negotiating of an agreement with Russia on nuclear trade and safeguards. (*)
- Extend nuclear agreements with CIS countries. (*)

(ii) Main proposals pending

- Directive concerning common rules for the internal market in electricity.
- Directive concerning common rules for the internal market in natural gas.
- Renewal of the EU/US Nuclear Cooperation Agreement.
- Directive on energy efficiency requirements for electrical refrigerators, freezers and their combinations.
- Trans-European networks energy projects.
- Thermie II programme.

(iii) Launching of debates

- White Paper on energy policy.

(iv) Implementation of Community policy

- Ratification of the Energy Charter Treaty.
- Negotiation of Protocols and second Energy Charter Treaty.
- Implementation of commitments undertaken in the Climate Change Convention.
- Participation in UN Conference in Berlin.

1.12. Environment, nuclear safety and civil protection

Increasingly environment policy in the Union is focusing on economic growth which respects the environment and contributes to quality of life. The implementation of the fifth action programme on the environment 'Towards sustainability' is at the heart of this development and the major review of the Programme which is to take place in 1995 will allow this to develop further. In the spirit of shared responsibility for its implementation, the intention of the review will be to determine more clearly what remains to be done at the Union, national, local and regional levels and by the other partners in society to integrate environmental consideration into the whole range of policies and actions (industry, agriculture, transport, energy, tourism, Structural and Cohesion Funds). The objective of the review will be to increase the sense of commitment to the process by concentrating on priority actions, updating and strengthening targets and determining additional instruments for implementation and enforcement of the strategy.

The environment has a central role to play in discussions on growth, competitiveness and employment so as to create strong links between economic and social prosperity, environmental protection and the quality of life. There is a need for more emphasis on the effective implementation of legislation, and agreed standards need to be high. There is a need to continue to explore new market-based instruments and to look at possible fiscal

reforms. Other instruments such as voluntary arrangements, increased information, education and training, environmental liability, and environmental assessments should complement the regulatory approach. In the industrial sector, there is a need to look at patterns of production and consumption to ensure they are more sustainable. Particular attention needs to be given to waste issues and to an integrated approach to pollution prevention and control. The 'polluter pays' principle needs to be effectively implemented. Air quality is of major importance to the Union as is the adoption and implementation of new and revised water legislation. The development of environmentally clean technologies is also an important issue and behavioural change will be promoted by the more effective use of the 'Ecolabel' and 'Eco-audit' schemes. In preparing its proposals in this area, the Commission will take due account of the costs and advantages of each proposal.

The Commission will pursue its work on developing green national accounts together with a range of 'green' indicators to allow the Union to measure the progress it is making towards sustainability. It will cooperate fully with the new European Environment Agency to ensure that the Agency is able to meet its aim of producing reliable comparable environmental data on which effective policy decisions can be based.

At the level of the Union's nearest neighbours, there is important work to be done to strengthen its cooperation on environmental issues in Eastern and Central Europe and in the Mediterranean. In the light of the decisions taken at the Essen European Council, the Commission will keep Parliament and the Council fully informed of its efforts to tackle environmental problems within the framework of the pre-accession strategy for the countries of Central and Eastern Europe.

At international level, the objective should be for the Union to take a lead on global environmental and sustainable development issues in the follow-up to the Rio Earth Summit and to champion progress on global issues such as biodiversity and climate change. The Commission will be fully involved in discussions on environment and trade issues.

In the field of nuclear safety the Commission will pursue its work on reactor safety, on radioactive waste and on radiation protection.

In the field of civil protection it will be necessary to define priority actions to be taken and set out the criteria and financing arrangements.

(i) Main new initiatives and legislative proposals

New proposals

- Vehicle emissions: reduction in the limit values of certain parameters in petrol and diesel (Council Directive 94/12/EEC), in particular to comply with new air quality objectives. (°) (°°)
- European civil protection: Community action programme (information, exchanges, pilot projects, etc.) to supplement national policies, in particular to reduce environmental risks. (°°°)
- Review of the fifth action programme.

Proposals scheduled for 1994 or earlier

- Environmental assessment: extension to planning measures of the principles of environmental assessment set out in Directive 85/337/EEC. (°) (°°)
- Access to information on the environment: application to the Community institutions of the rules in force in respect of public authorities (Directive 90/313/EEC).
- Reduction of the sulphur content of fuel derived from petroleum: introduction of a framework to improve air quality, to supplement Directive 93/12/EEC. (°) (°°)
- Reduction of gaseous emissions by internal combustion engines not used for automotive purposes: harmonization measures. (°) (°°)
- Protection against radiation: adjustment to technical progress of Council Directive 84/466/Euratom relating to persons subject to medical treatment and examinations. (°)
- Volatile organic compounds: second stage. (°) (°°)
- Financial instrument for the environment (LIFE): amendment to Regulation (EEC) 1973/92 in order to improve efficiency of the proce-

cedure for collecting and assessing projects and to give more priority to measures. (°)

(ii) Main proposals pending

Seventeen directives are pending in the Council on the following subjects:

- Disposal of PCBs and PCTs.
- Tax on CO₂ emissions and energy tax (see Section 1.1).
- Limitation of noise emissions of excavators.
- Landfill of waste.
- Safety standards for the protection of the health of workers and the general public against dangers arising from ionizing radiation.
- Biocides.
- Integrated pollution prevention and control.
- Revision of impact assessment Directive.
- Classification, packaging and labelling of dangerous substances (consolidation).
- Ecological quality of water.
- Revision of Seveso Directive.
- Revision of bathing water Directive.
- Amendment of birds Directive.
- Air quality framework Directive and information system.
- Exchange of information on air quality.
- Conditions governing imports of agricultural products following the accident at Chernobyl nuclear power station.
- Revision of drinking water Directive.

(iii) Launching of debates

- Damage to the environment: communication on introduction of a framework system of civil liability for the environment.
- Communication on CO₂ and cars.
- Communication on methane.
- Ground water action plan.

- Communication on coastal zones.
- Communication on the auto-oil programme.

(iv) Implementation of policies

The implementation of the fifth action programme on the environment in particular with its emphasis on the integration of environmental considerations into other policy areas, raising of awareness of environmental issues, shared responsibility and the development of cost internalization approaches will be at the heart of implementation of environmental policy.

In addition, more effective implementation and enforcement of environmental legislation, the implementation of international environment agreements and increased cooperation with the countries of Eastern and Central Europe and with the countries of the Mediterranean will be priority actions.

Flooding (following the Commission's decision to set up a working group to consider whether any general measures need to be considered).

Continuation of work in 1995 concerning a review of certain environmental legislation linked to the accession negotiations of the new Member States.

1.13. Common agricultural policy

(i) Main new initiatives and legislative proposals

The proposals follow on from the reform of the agricultural policy. The emphasis will continue to be placed on improving the balance of markets, increasing the domestic and international competitiveness of Community agriculture and ensuring greater stability of farmers' incomes. The proposals cover the following:

- Agricultural prices and related measures for 1995/96.
- Proposal for the reform of the market organization for cotton.

Proposal for the reform of the market organization for fruit and vegetables. (*)

Proposal for the reform of the market organization for rice. (*)

Beekeeping. (°°°)

Report (and possible proposal) on set-aside.

Fixing of the maximum guaranteed area for oilseeds in Finland, Sweden and Austria.

Report on the application of the milk quotas in Italy and Greece.

Bananas: increase in the import quota following enlargement.

(ii) Main proposals pending

In 1994 the Commission proposed a reform of the market organization for wine and rules to govern the market organization for sugar over the next six years. The question of animal transport will also have to be settled by the Council. The Commission will take all the necessary steps to ensure that these important issues are quickly resolved.

- Market organization for wine.
- Market organization for sugar.
- Directive on animal transport.
- Directive on hormones.

(iii) Launching of debates

The accession of countries from Eastern and Central Europe must be carefully examined from the agricultural point of view. In addition to the questions connected with the integration of these countries into the single market (plant health and veterinary aspects and other agricultural legislation, which will be covered by the White Paper to be discussed at the Cannes European Council), the Commission will prepare, by the end of 1995, a study on ways of developing agricultural relations between the European Union and associated countries in Eastern and Central Europe with a view to the accession of these countries.

Report (and possible proposal) on the installation of young farmers.

A report on the rearing of calves in the European Union is also to be presented by the Commission by the end of the year.

(iv) Implementation of policies

The implementation of the agreement reached at the Uruguay Round, the adoption of enlargement-related legislation, the continuation of trade arrangements with the EFTA member countries and the completion of the new generalized system of preferences (GSP) will be among the Commission's priorities in the agricultural sector in 1995.

1.14. Common fisheries policy

The main feature of 1995 will be the implementation of the reforms begun in 1992 and relating to the conditions of access to Community waters and resources. The problems to be tackled are the chronic surplus capacity of European fishing fleets, the frequent threat to resources and certain crises of essentially structural origin.

Steps must therefore be taken to resolve the socioeconomic problems arising from the regulation of fishing effort and the restructuring of fishing activities and to overcome the most serious obstacles to the rational and responsible use of fish stocks (static gear, driftnets, discards).

All interested parties will have to be involved (fishermen's associations, national and regional authorities, operators) to rebuild the necessary confidence for structural change, which is the sole guarantee of the continuation of fishing activities and the safeguarding of the socioeconomic fabric of the coastal and island regions dependent on the industry.

Joint initiatives will also have to be taken at international level, both bilaterally with Morocco (new agreement), and multilaterally, particularly in the Mediterranean and at the United Nations (Conference on Straddling Stocks).

All these measures should improve competitiveness throughout the fisheries sector (from production, including catches under fisheries agreements, to markets and processing) and

should make for closer supervision of fishing activities, markets and structural aid.

(i) Main new initiatives and legislative proposals

Rules governing access to waters and fishery resources in the Atlantic (basis: Regulation No 376/92), including the related control mechanisms (amendments to Regulation 2847/93).

Prices and total allowable catches (TACs) for 1996. (*)

Socioeconomic measures to accompany the restructuring of the fisheries sector (amendments to Regulation No 3699/93).

1.15. Transport

The aim is to achieve an integrated, safe, efficient, competitive and environment-friendly transport system, taking into account the needs of users and workers in this sector, thus ensuring in the long term mobility and cohesion within the European Union and developing the external dimension.

The Commission's priorities in the short and medium term are reflected in the following proposals.

(i) Main new legislative proposals

Safety of maritime transport:

Tighter security on ferry services. (°°°)

Ship's equipment. (°)

Road safety:

Introduction of an alternative model for the Community driving licence.

Training for drivers of vehicles transporting dangerous goods. (°) (°°) (°°°)

Combined transport/railways:

Establishment of a Community framework for coordinated action to encourage effective partnerships, proper checks on funding and optimal use of infrastructure. (*)

Road transport:

- Conditions governing access to the occupation of road haulier. (°) (°°°)

Inland waterways:

- Organization of the intra-Community market and flanking measures. (*) (°°)

Air transport:

- Measures to protect the rights of airlines' passengers. (°) (°°°)
- Minimal standards of training for cabin crews. (°°°)
- Briefs for negotiations with the countries of Eastern and Central Europe.

(ii) Main proposals pending

Railways:

- Proposals on licences and infrastructure and on the interoperability of high-speed trains.

Air transport:

- Ground handling Directive.

Road transport:

- Dangerous goods: checks and qualifications of those concerned with the prevention of risks.
- Weights and dimensions.
- Tachograph.

Maritime transport:

- EUROS.
- Port-State control.

External relations:

- Brief for negotiations with Switzerland.

(iii) Launching of debates

In 1995 the Commission will launch debates on the following subjects:

- Communication on the development of the common transport policy in the medium and long term.
- Communication on sea transport over short distances.
- White Paper on a system of air-traffic control and communication on crisis situations.
- Green Paper on multimodal passenger transport: people's network.

(iv) Implementation of policies

- Improvement of the environmental performance of the transport industry, including a study on better internalization of costs and the implementation of standards to take account of technological progress.
- Continuation of the social dialogue with a view to improving working conditions in the industry (see Section 3.1).
- Promotion of research and development and utilization of the results obtained from earlier programmes (see Section 1.8).

2. Establishing economic and monetary union on sound economic foundations

A principal objective of the Union and its Member States is to establish sound economic conditions which support and reinforce the economic recovery now under way, thus contributing to job creation and the fulfilment of the criteria for the move to the third stage of economic and monetary union. If the timetable set by the Treaty for this process is to be followed, two conditions must be met:

— there must be a sufficient degree of convergence between the economies of the individual Member States;

— the practical preparations for the third stage and the introduction of a single currency must be completed.

The broad guidelines for the economic policies of the Member States and the Community under Article 103 provide the framework for multilateral surveillance, together with the convergence programmes of the Member States.

The continued application of the excessive deficit procedure under Article 104c will be an essential condition for achieving EMU. In this regard, every effort will be made to prepare for the transition to the third stage on 1 January 1997.

The Commission will contribute to the technical preparations for the transition to the single currency, complementing the work of the European Monetary Institute. This will mean working to reduce uncertainties, define possible scenarios and suggest the organizational framework for the changeover. Promoting the awareness of the public at large will be essential for the success of the process. A Green Paper will be prepared on the technical issues for the transition to the third stage.

A more balanced policy mix will certainly improve the conditions for growth and employment creation. In view of the problem of unemployment, employment trends will have to

be monitored more closely, particularly if the measures identified in the White Paper and the conclusions of the Essen European Council are to be implemented. The Commission will act as a catalyst to help employment systems function better, identifying weaknesses and drawing lessons from successful policies. Better performance by employment systems and the achievement of nominal convergence are complementary targets which have to be pursued simultaneously.

(i) Main new initiatives and legislative proposals

Broad guidelines for the economic policies of the member States and the Community (recommendation to the Council). (*)

(ii) Main proposals pending

None.

(iii) Launching of debates

Green Paper on the conditions for the transition to a single currency.

(iv) Implementation of policies

Adoption and monitoring of broad guidelines for the economic policies of the Member States and the Community.

Continued application of the excessive deficit procedure.

Monitoring of multilateral surveillance, including employment policies.

3. Strengthening economic, social and regional solidarity

3.1. Employment and social affairs

The Commission is fully committed to the further development of the social dimension of the Union's activities, both as an integral part of developing a competitive economy and in the interests of ensuring that the benefits of the process of integration are shared by all.

The process of widespread consultation on the future direction of social policy, on the basis of the recent Green and White Papers, will be translated into a rolling programme of social action to be published by the Commission early in 1995. This document will provide an important framework for future action by detailing specific initiatives, with a timetable, and by indicating how progress can be achieved with the more forward-looking agenda (implications of the information society, refinancing of social security systems).

(i) Main new initiatives and legislative proposals

- Portability of occupational pensions. (°) (°°°)
- Community instrument to support actions relating to older people. (°)
- Fourth programme on health and safety.

(ii) Main proposals pending

- Posting of workers.
- Transfer of undertakings.
- Health and safety Directives (means of transport, physical agents, chemical agents, disabled workers and work equipment).
- Consultation of the social partners under Article 3 of the Social Protocol on non-standard work.
- Programme to combat social exclusion and promote solidarity.

(iii) Launching of debates

- Communication on the future development of the social dialogue.
- Communication on the sectoral social dialogue.

(iv) Implementation of policies

- Action to ensure transposal and implementation of existing legislation.
- Management of the European Social Fund and Community initiatives (Employment and Adapt).
- Actions in the area of racism and xenophobia.
- Management of the Helios II programme relating to disabled persons.
- Action on the social and societal aspects of the information society.
- Annual report on social progress under Article 7 of the Social Protocol.
- Preparation of the UN Social Development Summit in Copenhagen.
- Establishment of the Health and Safety Agency in Bilbao.

3.2. Equal opportunities and women's rights

The Commission will continue its firm commitment to promoting equality of opportunity between women and men and to women's rights more generally.

Apart from the specific labour market questions where the Union has always played an active role, the Commission believes that it is important to bring gender issues and concern for women's rights into the mainstream across the entire range of Union policies. This horizontal approach will be overseen by the newly created

open group of Commissioners chaired by the President.

(i) Main new initiatives and legislative proposals

- Fourth action programme 1996-2000.
- Occupational social security schemes: measures to take account of Barber and related judgments.

(ii) Main proposals pending

Consultation of the social partners under Article 3 of the Social Protocol on:

- reconciling work and family life;
- the burden of proof.

(iii) Launching of debates

- Communication on remedies and procedures for the application of Article 119.

(iv) Implementation of policies

- Preparation of the fourth UN Conference on Women in Beijing.

3.3. Public health

The Commission will continue with the programme of activity laid down in the communication on the framework for action in the field of public health (COM(93) 559) adopted in November 1993 following entry into force of the Treaty on European Union.

(i) Main new initiatives and legislative proposals

- Community action programme on health data and indicators.

(ii) Main proposals pending

Community action programmes on:

- cancer;
- AIDS and certain other communicable diseases;
- prevention of drug dependency;
- health promotion, information, education and training.
- Advertising of tobacco products.

(iii) Launching of debates

- Communication on blood safety and self-sufficiency.

(iv) Implementation of policies

- Actions to facilitate cooperation between Member States in the health field.
- Reports on existing activities in the areas of cancer, AIDS, drug prevention and health protection.

3.4. Consumer policy

The priorities for Commission action in the field of consumer policy will be to step up information and awareness campaigns, improve consumer representation and draw up a new action plan (1996-98). (*)

(i) Main new initiatives and legislative proposals

- Follow-up to the Green Paper on access of consumers to justice and the settlement of consumer disputes in the single market. (°) (°°) (°°°)
- Follow-up to the Green Paper on guarantees for consumer goods and after-sales service. (°°°)
- Measures to clarify, simplify and create greater transparency in the labelling of food products and the indication of price. (°°°)

(ii) Main proposals pending

- Amended proposal for a directive on the protection of consumers in respect of contracts negotiated at a distance.
- Amended proposal for a directive on comparative advertising amending Directive 84/450/EEC on misleading advertising.

(iii) Launching of debates

- Preparation, after extensive consultation, of a new Commission consumer policy action plan (1996-98).

3.5. Audiovisual media, information, communication and culture

At Essen the European Council called on the Commission to prepare proposals for a revision of the 'television without frontiers' Directive and a new MEDIA programme in time for its next meeting. These audiovisual policy initiatives will contribute to the implementation of the information society. However, to keep pace with the rapid changes in the audiovisual services industry, a forward-looking Green Paper should be produced to examine the implications of the development of new audiovisual services, particularly in the regulatory, economic and culture spheres. So much is at stake in the information society that there is a real need to update and modify audiovisual policies. It is essential that the European Union's audiovisual policy take these factors into account.

In the cultural field the Commission will continue to apply Title IX, Article 128 of the EC Treaty, supplementing the proposals for decisions already presented with a proposal on cultural heritage. Article 128 also requires the Union to take cultural aspects into account in its action under other provisions of the Treaty, so consideration should be given to the consequences for the definition and conduct of the relevant Community policies. Attention will be paid in particular to the development of multi-media in this area, as a means of promoting culture. Finally, the subject of social exclusion and culture will be examined with a view to defining measures in this area.

In the information field, efforts to improve communication and increase transparency (see below) will be continued and stepped up, in preparation for the 1996 Intergovernmental Conference. Bringing the Union closer to ordinary people and making ordinary people better informed about the Union are among the Commission's prime concerns.

(i) Main new initiatives and legislative proposals

- Review of Directive 89/552/EEC on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the pursuit of television broadcasting activities. (°)
- Training schemes for professionals in the audiovisual programme industry and measures to encourage the development distribution of European audiovisual works (MEDIA II). (°)
- Programme to encourage the conservation and promotion of the European cultural heritage (Raphael). (*) (°)
- Report to Parliament and the Council on the cultural dimension of Community policies.

(ii) Launching of debates

Preparation of a Green Paper on the development of new audiovisual services.

- Programme industry: development of technological and innovate capacity as a follow-up to the action plan for the introduction of advanced television services in Europe.

(iii) Main proposals pending

- Proposal to create a programme to support artistic and cultural activities with a European dimension (Kaleidoscope 2000).
- Proposal to establish a support programme in the field of books and reading.

(iv) Implementation of policies

- Involvement of non-Community countries in audiovisual policy.

4. Improving cooperation in the fields of justice and home affairs

The creation of an area without internal frontiers has long been an objective initially of the European Community and now of the Union. There are clear benefits for all Union citizens. Nevertheless the Union must ensure internal security in a frontier-free area when the controls at internal frontiers have been removed, in order to prevent organized crime from demonstrating both its will and its capacity to exploit weaknesses in the Union's defences. Title VI of the Treaty on European Union provides the political commitment and instruments to answer these legitimate concerns.

The Commission will play its full part in tabling its own proposals where it has the right of initiative, and will encourage Member States to use their new opportunities where they alone have the right. To this effect the Commission tabled two communications in 1994, one on immigration and asylum and the other on drugs. The Commission looks forward to receiving the opinion of the European Parliament on these two communications.

The Commission's initiatives will necessarily concentrate on areas where the Treaty gives it the right of initiative:

Immigration and asylum: The Commission will press the Council for an adoption of the draft external borders Convention tabled in December 1993, which is an essential instrument for the free movement of people, and will table an initiative concerning travel rights of nationals of non-member countries (see Section 1.1). Furthermore, common rules on conditions of entry by nationals of non-member countries and major principles governing asylum policy, including forms of solidarity between Member States, will be the major elements of the Commission's contribution. The Commission approach will be to strike the right balance between ensuring the integration and rights of legal immigrants and acting against illegal immigration and those who seek to exploit it.

With regard to the fight against drug trafficking, the Commission's communication of June 1994 proposing a European Union global

action plan provides a comprehensive framework within which action by the law enforcement agencies acting under the provisions of Title VI of the Treaty on European Union can be situated. The prime responsibility for this part of the plan lies with the Member States, but the Commission will play an active part with a particular view to ensuring coherence with the other aspects of the plan which fall under Community competence or in the framework of the common foreign and security policy. The importance of this global plan has been emphasized by both the Corfu and the Essen European Councils which expressed the wish that it be adopted in June. However, the Commission will not remain inactive in the meantime, and it intends to take concrete steps to prepare for the implementation of this plan by, amongst other things, defining the scope of action which might be taken under the new legal basis provided by Title VI, and by contributing to the rapid development of the European Monitoring Centre for Drugs and Drug Addiction, which has its headquarters in Lisbon.

Judicial cooperation in civil matters also opens up areas for further developments which could contribute to alleviating problems encountered by many European citizens and their families in their daily life. The Commission will therefore actively seek to extend the 1968 Brussels Convention to cover family matters, possibly including other matters such as the custody of children.

Fraud is another area of Title VI which is now in the forefront of political debate (see also Section 6.4). The Union's citizens, as taxpayers, want an efficient and fraud-free management of the Community budget. In the framework of its ongoing endeavours to tackle this problem, the Commission will press for the early adoption of the two proposals tabled in 1994 concerning administrative and criminal sanctions, the latter based on Title VI of the Treaty. It will continue to devote increasing efforts to this vital area, for which Member States also have a major responsibility.

5. Establishing the Union as a strong and reliable partner in the international arena

The Union will assert its identity and its responsibilities increasingly in political terms. It is a question of adhering to principles — support for democracy and the rule of law and the respect of human rights and fundamental freedoms.

The Commission is determined to assert the European Union's presence on the world scene, using every means at its disposal — political dialogue, development aid, humanitarian aid, etc.

As the world's most powerful trading partner, Europe is, and will remain, open to the outside world; naturally, it expects its partners to behave in the same way. This is the basis of prosperous and balanced international trade. The aim of future trade policies will be to ensure that this is the case.

On the human rights issue, the Commission will adopt a coherent approach and will help to forge links with international, regional and non-governmental organizations in order to achieve synergy. It will take further initiatives in areas such as electoral assistance and human rights observers.

It will report to Parliament and the Council on action taken or to be taken in the field of human rights.

5.1. Common foreign and security policy

Apart from the treatment under existing legal arrangements of priority actions already decided on by the European Council (former Yugoslavia, support for the peace process, support for the introduction of democracy in South Africa, stability pact in Europe, Russia, Ukraine, Non-proliferation Treaty, etc.), to which others might well be added in the near future, one of the main tasks for the year will be to clarify and consolidate the functional bases for the common foreign and security policy; another will be the preparations for the 1996 Intergovernmental Conference.

On the question of clarifying and consolidating the functional bases for the common foreign and security policy, problems still outstanding of defining a stable financial scheme and the organization of comprehensive actions (using Community instruments also) following the adoption of common positions should be solved in a satisfactory manner in full compliance with the powers conferred and procedures established by the Treaty.

A base should be developed consisting of a central capacity for analysis and assessment involving Council, WEU and Commission. Its main task would be not only to conduct a permanent assessment of risks and threats that might affect the interests and values of the Union, but also to prepare response strategies geared to the resources actually available to the Union and its Member States, for discussion in the European Council and the Council.

In addition to these measures the Commission will actively pursue preparations for the Intergovernmental Conference not only on the basis of a functional analysis of the common foreign and security policy as at present conceived but also in the light of the prospect of further enlargement and the major geopolitical shifts now occurring.

The first deadline will be the commencement of work by the reflection group, scheduled for 1 June.

5.2. Common commercial policy

A good part of the last few years has been taken up with the GATT negotiations. In parallel, the Commission proposed new trade policy instruments (protection against dumping and bounties, regulations on trade barriers), which were accepted by the Council. Extensive negotiations also took place within the OECD.

Efforts must be made to ensure that the World Trade Organization functions properly and that the rules are enforced, and to manage trade policy as efficiently as possible, using the

instruments at our disposal, while respecting international law.

Work must also continue on new matters (environment, social policy, competition) and the preparation of multilateral rules governing international investment.

This will require the utmost vigilance from the Commission, together with a considerable amount of work, both to fulfil existing agreements and to represent the interests of the Union in multilateral negotiations. An analysis of Community strategy is under way.

(i) Main action planned

Continuation of the multilateral negotiations within the World Trade Organization on services (telecommunications, financial services, maritime transport and the movement of persons), on a multilateral agreement on steel and on the updating of the 1979 GATT Agreement on trade in aircraft.

Ratification and implementation of the OECD agreement on shipyards.

Textiles and clothing:

implementation of the Uruguay Round agreement on textiles and clothing: continuation of the negotiations on market access with the members of the World Trade Organization and non-member countries (such as the former Soviet Union and other former State-trading countries); (*)

following the Uruguay Round, adjustment of the common commercial policy by amending Council Regulation (EEC) No 3030/94;

revision of the protocols on textiles with the countries of Central and Eastern Europe.

Public procurement:

ratification of the bilateral agreement with the United States on public procurement (deadline for ratification: end of May);

implementation of the Uruguay Round agreement on public procurement: negotiation of bilateral agreements with main trading partners.

Rules of origin: revision of protocols with the countries of Central and Eastern Europe, ACP countries, the Mediterranean countries, the Middle East and the Gulf.

Negotiation of mutual recognition agreements on the certification of products (with Australia, Canada, Hungary, Israel, Japan, New Zealand, Singapore, Switzerland, United States).

5.3. Development policy and humanitarian aid

As well as action in specific geographic areas, the system of generalized preferences must be completed.

Initiatives in cooperation and humanitarian aid will continue to be undertaken. A legal basis for these must now be established.

It is also the Commission's intention to ensure that Union action is sustainable and to respond in the most appropriate fashion to requests from our partners. This will entail establishing a fully-fledged quality-control scheme to be applied to Community instruments.

(i) Action planned

Humanitarian aid outside the Community: creation of legal bases for all budget headings involved. (°°)

Aid for refugees: creation of a legal basis.

System of generalized preferences: completion of the scheme for agriculture and fisheries products. (*)

Food and food security — policy and management: consolidation and amendment of Council Regulations (EEC) Nos 1755/84, 3952/86, 2507/88 and 2508/88.

International cooperation in the field of energy: provision of a legal basis for the Synergy action programme, which aims to develop cooperation with the countries of Central and Eastern Europe, the CIS, the Mediterranean region, Asia and Latin America.

The fight against drugs: establishment of the legal basis for North/South cooperation initiatives.

Developing countries: establishment of legal bases for aids for demographic policies or programmes, rehabilitation and reconstruction programmes, decentralized cooperation initiatives, programmes for health protection and the

fight against Aids, Community participation in action taken by non-governmental organizations (NGOs), and cooperation initiatives aimed at safeguarding the environment and promoting sustainable development.

The legislative initiatives listed under various headings in the previous chapters are only ones currently being undertaken.

5.4. Countries of Central and Eastern Europe and the Baltic States

Implementation of the pre-accession strategy defined by the Essen European Council is the central pillar of the Commission's work in this region.

On the basis of detailed studies, these countries must be brought up to the legal and economic standards of Western Europe as preparation for accession to the Union, while respecting the *acquis communautaire*. For the same reason, political cooperation with these countries will be stepped up.

At the same time, the network of Europe Agreements must be completed.

In management terms, the PHARE programme resources must be strictly employed to enhance the operation of the pre-accession strategy. Furthermore, the Commission will ensure that the trans-European networks programme extends to Central and Eastern Europe as agreed at Essen.

(i) Action planned

Pre-accession strategy for the countries of Central and Eastern Europe: White Paper on approximation of single market legislation (see Section 1.1).

Countries of Central Europe: White Paper on agricultural aspects of accession (see Section 1.13).

Bulgaria, Hungary, Poland, Czech Republic, Slovakia and Romania: amendment of the Europe Agreements to take account of enlargement and the outcome of the Uruguay Round.

Countries of Central and Eastern Europe: amendment of Council Regulation (EEC) No 1628/94 to extend the cross-border cooperation programme set up under PHARE to include the 'networks'

Slovenia: negotiation of a cooperation agreement with a view to conclusion of a Europe Agreement of the same type as those concluded with the countries of Central and Eastern Europe. (*)

Croatia: negotiation of a trade and cooperation agreement and possible extension of the PHARE programme to cover Croatia. (*)

(ii) Main proposals pending

Baltic States: negotiation of Europe Agreements and amendment of free-trade agreements currently under negotiation with Estonia, Latvia and Lithuania.

Proposal for a Council Decision amending Council Decision No 92/511/EEC of 19 October 1992 providing further medium-term financial assistance for Bulgaria.

5.5. The Mediterranean, the Middle East and the Gulf

The conclusions of the Essen European Council called on the Commission to give practical effect to its general communication on the Mediterranean by strengthening political dialogue, pursuing economic cooperation with a view to establishing a free trade area, and engaging in ambitious financial cooperation.

At the political level, these operations will all come together in the Euro-Mediterranean Ministerial Conference scheduled for the second half of the year. The Commission will make its contribution and mobilize all available resources to establish a new framework for relations between the European Union and the Mediterranean non-member countries. The Conference will be an opportunity for a thoroughgoing review of future relations, whether economic, social, cultural or political (cooperation on political and legal affairs, action to combat clandestine immigration, security aspects).

Support for the Middle East peace process will be of particular importance, as will the negotiation of the Euro-Mediterranean association agreements and the agreement on customs union with Turkey.

Work should also continue on the prospects for the accession of Malta and Cyprus.

(i) Proposed action

Preparation of the Euro-Mediterranean Ministerial Conference.

Special agreements:

Morocco, Tunisia, Israel, Egypt, Jordan: negotiation of Euro-Mediterranean association agreements. (*)

Turkey: negotiation of the customs union, involving amendments to Council Regulation (EEC) No 3030/94 to adjust the common trade policy. (*)

Negotiation of scientific and technical cooperation agreements with Israel and Malta. (*)

Support for the Middle East peace process: aid for the various States in the region, implementation of operations to assist Palestinians in the Gaza Strip and Jericho.

5.6. Cooperation with the Commonwealth of Independent States

Together with rationalization of the TACIS programme, to improve it through decentralization, the object of technical assistance from the Union will be to make sure the existing cooperation agreements function and to supplement them.

(i) Action planned

Amendments to the TACIS Regulation, (EEC) No 2053/93 concerning the provision of technical assistance from the Union to the newly independent States, and extension of the Regulation to cover Mongolia. (*)

Macro-financial assistance to Belarus.

Belarus, Georgia, Uzbekistan, Turkmenistan: negotiation of interim agreements with a view to the conclusion of partnership and cooperation agreements. (*)

Russia, Kazakhstan, Kyrgyzstan, Uzbekistan, Tadjikistan, Ukraine: negotiation of bilateral agreements on trade in nuclear materials and cooperation in the fields of nuclear safety and nuclear fusion. (*)

5.7. Relations with the industrialized countries

Relations with these countries are already highly developed: little legislative work therefore needs to be undertaken.

At the multilateral level, the Commission plays a full part in the OECD and the World Trade Organization.

At the bilateral level, special attention will have to continue to be given to transatlantic relations, with particular regard for current thinking, both in America and in Europe, on strengthening them. The Commission participates in the preparatory work for the various transatlantic summits scheduled to take place this year. It is involved in ongoing negotiations with Japan, particularly as regards market access. Dialogue and cooperation with Australia and New Zealand at all levels will have to be taken further and stepped up.

There is a particular problem with the West European countries which are not members of the European Union (Norway, Switzerland, Liechtenstein and Iceland). Adjustments will therefore have to be made to a number of agreements.

(i) Action planned

EU-EFTA Convention on a common transit procedure: incorporation of the measures required to ensure mutual assistance in relation to recovery (plus some technical changes).

Rules of origin: definition of the rules applying to Liechtenstein under the EEA agreement.

Customs cooperation: negotiation of agreements with the United States, Australia and Canada. (°)

- Communication on relations with Japan.
- Education and vocational training: negotiation of cooperation agreements with the United States and Canada.
- Scientific and technical cooperation: negotiation of agreements with Canada and Switzerland (carried over from 1994). (*)
- Nuclear cooperation: negotiation of a bilateral agreement with the United States on trade in nuclear materials and equipment and on cooperation in that field.
- Rules of competition: negotiation of agreements with the United States, Canada and Australia.
- South Korea: negotiation of agreements of a framework agreement on trade and cooperation. (*)
- Animal health: negotiation of agreements with Canada, Australia and New Zealand.

5.8. Asia and Latin America

The Commission has just launched a discussion on an all-round strategy for relations with the Asian countries. Such an approach is extremely important in view of the fact that Asia is an area of particularly rapid economic growth. Farther-reaching dialogue with China is especially important.

The Essen European Council reasserted the European Union's determination to establish a new, expanded partnership with Latin America. It asked the Council and the Commission to establish the conditions for an early launching of negotiations on an interregional framework agreement with Mercosur and to give practical effect to the discussions on a future contractual form for relations with Mexico and to the extension of relations with Chile.

(i) Action planned

Asia

- Laos, Cambodia, Pakistan, Bangladesh, Nepal: negotiation of cooperation agreements ('third-generation' agreements).
- Preparations for the Asia-Europe summit.

Latin America

- Argentina, Brazil, Paraguay and Uruguay, parties to the 'common market of the South' (Mercosur): negotiation of an interregional trade and economic cooperation agreement to promote trade liberalization and support integration. (*)
- Mexico: negotiation of a partnership agreement.
- Drug precursor control: negotiation of an agreement with the Latin American and Asian countries to strengthen cooperation in combating misuse of chemical products.

5.9. African, Caribbean and Pacific countries

The nub of the work will be to strengthen the system of partnership and the contractual basis underlying ACP-EU relations, in addition to across-the-board work on defining and carrying out the Union's development cooperation policy.

(i) Action planned

The main concerns will be finalization of the mid-term review of the fourth Lomé Convention and programming cooperation with each of the 70 ACP countries over the next five years, particularly in the framework of the eighth EDF. (*)

Special attention will be given to the following objectives:

Strengthening conditionality

- In the light of the ACP countries' development strategies, taking account of the Union's cooperation policy priorities.
- Strict management of the system of planning in tranches.
- Making firm demands as to respect for human rights, the establishment of the rule of law and the consolidation of democracy.

The quest for greater effectiveness

A push for simplification, rationalization and decentralization and a change in working habits and methods.

The political dimension

The political dimension has become inseparable from relations with the ACP countries.

It will also leave its mark on the issues the Union will have to deal with and which, to an increasing degree, arise out the political dimension (assessment of progress towards democracy or of the human rights situation). It will find its expression in the Union's ability to help prevent and solve disputes.

South Africa

A new relationship with South Africa, geared to harmonize with or even complement Lomé

policy so as to contribute to the internal stabilization of South Africa and the emergence of a real focus for regional development and economic integration in southern Africa. (*)

Negotiations with South Africa are to be completed this year.

Active support for regional cooperation and integration

Active support for moves towards regional economic integration in the ACP countries, particularly the West African Economic and Monetary Union (WAEMU), the Common Market for Eastern and Southern Africa (COMESA), and the cross-border initiative (CBI) in East Africa and the Indian Ocean. European Union involvement and proposals in coordination with the donor community.

The Union will pursue its operation with other regional organizations such as SADC, Caricom, Cariforum, IOC and the Pacific Forum.

6. Managing the Union better

6.1. Transparency

To make the work of the Union institutions more transparent and involve citizens more closely in the decision-making process, the Commission will focus on ways of helping to enable them to participate more fully.

With this in mind, the Commission's annual programme sets out the White or Green Papers which it intends to produce and priority measures it plans to propose to Parliament and the Council. Wider use will be made of Green and White Papers, while access to documents will be improved. The choice of means will take account of the principle of subsidiarity and the need to simplify and slim down the rules and regulations. The effort to consolidate legislation will continue, also helping to increase transparency. The Commission has taken care to ensure that its action is consistent with the Union's general objectives.

Another element in the effort towards greater transparency is action to inform people in the Community and enter into dialogue with them. To communicate better, in terms of both quantity and quality, and to make its information effort tell, the Commission plans to tighten its internal coordination and further decentralize its operations, working in particular through its offices in the Member States and through partnership and cooperation, especially with the European Parliament and with national and regional authorities in the Member States.

The Commission believes that communication can play a vital part in bringing the Union and its citizens closer together. It therefore intends to be more responsive to public demand and the needs of the user. Information will be more in tune with what the ordinary citizen wants and will be presented in straightforward language, explaining the reasons for the Union's priorities in the light of the objectives set by the Treaty on European Union.

6.2. Consolidation of Community legislation

The Commission will continue its effort to create a Community legal area consisting of a concise and accessible body of Community rules so that firms and individuals can easily find out what their rights and obligations are, either through unofficial consolidated versions put out by the Office for Official Publications of the European Communities for information purposes or through formal consolidations. In the near future it is planned to consolidate several key sets of Community rules in priority areas such as the internal market and industrial cooperation (e.g. motor vehicles, measuring instruments), the environment (e.g. waste, water protection and management, air pollution) and agriculture (e.g. veterinary rules, wine, sugar).

In several areas where the law is relatively stable (such as veterinary rules, textiles and fibres, seeds, tobacco), the new fast-track procedure agreed between Parliament, the Council and the Commission on 20 December 1994 will help to speed up the official consolidation of legislation. New legal instruments that incorporate existing rules and repeal old ones without affecting the substance of the law can now be adopted more quickly, while still going through the usual Community legislative procedure. The Commission will complete the proposals announced in the 1994 programme (banking, social security for migrant workers, cosmetics, agricultural seeds, propagation material). It has also decided on a range of new initiatives in priority areas; the texts in question are consolidated in advance by the Publications Office, the priority areas being agreed on by Parliament and the Council in accordance with the procedure.

Terminal equipment (91/263/EEC, 93/97/EEC).

Stock exchanges and securities (79/279/EEC, 80/390/EEC, 82/121/EEC, 89/298/EEC, 89/552/EEC).

Life assurance (79/267/EEC, 90/619/EEC, 92/96/EEC) and non-life insurance (73/239/EEC, 73/240/EEC, 76/580/EEC, 84/641/EEC,

87/343/EEC, 88/357/EEC, 90/618/EEC, 92/49/EEC, 87/344/EEC and 78/473/EEC).

- Conservation of fisheries resources: technical measures (EEC/3094/86).
- Agricultural production, processing and marketing: structures (EEC/2328/91 and EEC/866/90).
- Milk and milk products (EEC/804/68).
- Additives in animal feed (70/524/EEC).
- Animal feed content (74/63/EEC).
- Swine fever (80/217/EEC).

6.3. Monitoring the application of Community law

As guardian of the Treaties, the Commission will keep careful watch to ensure that Community law is respected.

Community rules must be applied properly and uniformly on the ground throughout the Union. In particular, directives must be transposed by the Member States into their own national law within the time-limits laid down.

The Commission will not shrink from its responsibilities under the Treaty. In particular it will, if necessary, use its powers under the new Article 171 of the EC Treaty to ask the Court to impose penalty payments on Member States that fail to comply with Court judgments.

The Commission will keep Parliament informed of any action it takes in this area through its annual report on monitoring the application of Community law.

6.4. Fight against fraud

(i) Main new initiatives and legislative proposals

The Commission will continue stepping up its efforts to reduce the impact of fraud through a strategy aimed at developing closer partnership between all those involved in the fight against it.

The principal proposals will seek to amplify the body of legal rules governing transit and trade with non-member countries.

Priority areas

- Improvements to transit rules.
- Strengthening of Regulation No 3665/87 as regards products exported with refunds.
- Reinforcement of the mutual assistance provisions of agreements with non-member countries and better surveillance of preferential schemes.
- Extension of system of administrative penalties to all of the budget.

(ii) Main proposals pending

Active contribution to securing rapid Council adoption of major anti-fraud proposals:

- Proposal for administrative and criminal penalties.
- Black list: measures to be taken against certain beneficiaries of EAGGF-financed operations.
- Amendment of Regulation No 1468/81 on cooperation in customs and agricultural matters.

(iii) Implementation of policies

Drafting of implementing regulations as soon as the Council has adopted current proposals will be a priority for 1995. Implementing provisions for the amendments made to Regulation No 4045/89 by Regulation No 3094/94 should be given precedence.

The Commission will also attach top priority to implementation of the strengthened procedures for mutual assistance in customs and agricultural matters.

It will consider the possibility of extending the system of administrative penalties to all areas of the budget.

It will set up task forces in sensitive areas where complex nature and transnational dimension of fraud generate the need for a specific structure at Community level.

6.5. Statistics

The Commission intends to maintain an efficient European statistical system to provide it with the figures it requires to meet the new challenges facing the Community. Action will continue under the 1994-97 statistical programme to develop a Community statistical area by establishing a set of standards, methods and organizational structures for the production of comparable, reliable and relevant statistics throughout the Community. The proposal on structural statistics on business that was planned under the 1994 legislative programme will also be finalized. The overall aim is to provide the institutions and Member States with the information they need to implement, monitor and evaluate Community policies and supply all those in the economic and social sphere with essential data.

(i) Main new initiatives and legislative proposals

- Monetary and financial indicators; structural indicators (regulation). (°) (°°°)
- Community balance-of-payments data-gathering system (regulation). (°) (°°°)
- Annual business survey (regulation).
- Short-term industrial indicators (regulation). (°) (°°°)
- R&D and innovation statistics (regulation). (°°°)
- Transport methodology (directive 1996 or 1997).

(ii) Main proposals pending

- Harmonized consumer price indices.
- European system of national and regional accounts in the European Community.
- Green national accounting (development in 1995). See Commission communication to the Council and Parliament (COM(94) 670 final, 21.12.1994).
- Statistics on environmental expenditure by industry and services (development of surveys in 1995; directive planned).
- Origin: fifth environment programme.

(iii) Implementation of policies

- Ensure that reliable statistics are available to facilitate the smooth functioning of the internal market and promote the competitiveness of the Community economy.
- Develop cooperation with the Environment Agency and agree on a joint work programme for approval by the Committee for the Statistical Programme.
- Develop new statistical tools to monitor social policy.
- Install the statistical tools needed to monitor application of the principles set out for economic and monetary union by the Union Treaty.

6.6. Financing the Union

The Commission will work to secure adequate financing of the enlarged Community of Fifteen for priority action to enable the Union and the Communities to perform their appointed tasks effectively, while respecting budgetary discipline and the 1993-99 financial perspective: this involves concentrating resources, exercising strict and economical budget management, and ensuring that expenditure is transparent and effective. Under the Interinstitutional Agreement, it intends to implement the medium-term financial framework up to 1999 in parallel with the second stage of economic and monetary union, reflecting the European Union's extended fields of responsibility under the Treaty on European Union.

- Preliminary draft supplementary and amending budget No 1/95.
- Preliminary draft general budget of the European Communities for 1996.
- Adjustment and revision if necessary of the financial perspective.
- Communication on 1995 budget execution (July).

In 1994 the Commission sent the budgetary authority a communication on legal bases and maximum amounts. The budgetary authority has not yet reached agreement on these two points. The Commission will do its utmost to secure the agreement of the two arms of the budgetary authority in the course of the year.

7. Preparing for the Intergovernmental Conference in 1996

The Corfu European Council decided to set up a reflection group to prepare for the 1996 Intergovernmental Conference, with representatives of the foreign ministers of the Member States and the Commission President; two Parliament representatives are also to be involved. The group is to consider and prepare suggestions regarding the provisions of the Union Treaty that are to be reviewed as well as other improvements in a spirit of democracy and openness. It is also to work on institutional options with an eye to future enlargements. The institutions have all been asked for advance

input in the form of reports on the functioning of the Union Treaty.

The group is to begin work at the beginning of June. The Commission's report will be ready before then.

This Conference is of capital significance for the future of the Union. The Commission will accordingly work actively on reflections and preparations so as to make its contribution to the reflection group and the Conference itself. It has already made the requisite organizational arrangements.

**Presentation of the Commission's
work programme for 1995
to the European Parliament
by Jacques Santer**

*Mr President,
Honourable Members,*

In January I pledged the Commission to report to you and account for its actions. I would now like to take the first, albeit decisive, step toward redeeming that pledge. This means recasting the way we present our work, which is why the programme I am putting before you, unlike its predecessors, sets the Commission's work in a wider context. The major policy options and each specific decision need to be seen to fit into an overall structure. This will make it easier both for yourselves and for all our fellow citizens to grasp the purpose of what we do, much more than if the measures were presented to you as an assemblage of piecemeal decisions.

This is why, to make the action which needs to be taken more obvious, we have decided to submit our indicative programme to you in a new form which very clearly brings out the four complementary aspects of that action: the drafting of new proposals for legislation, the adoption of those which are still outstanding, the launching of wide-ranging discussions before legislation is introduced and, lastly, the management and implementation of our policies.

You know what the general objectives are already. I identified them when I spoke to you last month: a strong economy which creates more jobs, a stable economic and monetary union, increase economic, social and regional solidarity, greater security inside the Union, a role as a strong and respected player on the international stage, open and efficient management and laying the groundwork for the Intergovernmental Conference in 1996.

There is more to the Commission's role than merely exercising its right of legislative initiative. Our responsibility is to steer each project through the four essential stages it must pass through as it moves forward: upstream, we have to put forward proposals for new initiatives and instigate the wide-ranging discussions which bring forth new ideas, and, downstream, make sure that whatever is under way goes through smoothly and that our policies are put into practice. This is the full process with which I now propose to associate you.

What are these stages?

□ Let me begin with the main one, the one where our primary responsibility lies: making proposals for new legislation. The Union is a community under the rule of law and needs laws and rules. But we must take care not to overdo the legislation. In my confirmation speech I said that 'less action, but better action' should be our motto. Acting less is something we can do. In fact the number of new proposals has been falling for some time, in the first instance because the 1992 single market programme has largely been completed, at least as far as the legislation is concerned, but also because we are acting more effectively. The Commission is determined to focus on the essential. It will become more and more effective in applying the principles of subsidiarity and proportionality.

The figures speak for themselves: the number of new priority legislative proposals is 52, a figure similar to the 50 or so put forward last year but a long way below the peak of 180 proposals launched by the Commission in 1990.

□ The second stage is very close to my heart, as you know: it will not do just to keep launching new projects — we have to complete them too. I am sometimes amazed to hear that 'Brussels' has 'decided' this or that on a Wednesday evening, when we are still only at the first stage of the Union's decision-making process! It makes the ordinary citizen very confused. So I will take very special care to make sure that the schemes we embark upon do not get bogged down in indecision, either in the Council or in Parliament. The point is that all the Union institutions need to work together.

□ The third stage is the moment when the innovatory momentum which needs to be the driving force behind our future work takes over. I am talking here about the major discussions which will have to be launched in the course of this year. My watchwords for this lap of the journey will be openness, efficiency and joint consultation. It is, of course, the point at which the Commission exposes its ideas to the keen gaze of interest groups that play an active part in the life of the Union. Green Papers, White Papers or communications of other kinds must reflect our willingness to listen to what the ordinary citizen has to say. I am relying heavily on Parliament urging us forward; as you will notice, I have acted on some of the things you asked for straightaway.

□ In the fourth stage, when we are putting decisions into practice, we put the very credibility of the Union into the ring. We will be judged on how we do it. And that is why the Commission's programme also indicates the main steps we will be taking to implement the Union's policies.

If such an all-round operation is to remain attainable, of course, we must target the priorities and know how to distinguish between the essential and the superfluous. We must also find a way to strike a fair balance between all the pressing demands made on us by Parliament and the Council and the policy priorities we have identified. This programme aspires to be a realistic and practical one. I have noticed that large numbers of measures promised in 1994 have not been carried out, particularly in certain fields. As I had occasion to say to you in July, I hope the Commission will be judged on what it does and not on what it says. In that spirit, I mean to have a policy debate in the Commission in October to take stock of progress and establish what has and has not been done, and from it we will draw the proper conclusions for our next programme.

I should like now to give a few examples from our work programme to illustrate the way I want to see attention paid to each of the four stages which separate intention from reality. Obviously this presentation is not intended to be exhaustive; that is the function of the written programme which you have all received.

1. One area above all others where legislative initiatives are still required is that of advanced technology and the information society. This is a major challenge. We have the chance to shape our future, and it is essential that Europe carve out a place for itself at the forefront of these markets to ensure competitive jobs today and new jobs tomorrow. I expect the G7 Conference on 24 and 25 February to launch a far-reaching debate issue for the future. The benefits of this third technological revolution must be shared by the population as a whole. This is a point I have made before and I would reiterate here today. We are shaping the society of the future—and this should provide some encouragement for the young—but not at the expense of the society of the present. I am calling for an effort on everyone's part and in particular for all economic operators to live up to their responsibilities so that together we can face the future with enthusiasm not fear.

Advanced technology calls for a horizontal approach. You will find references to proposals for legislation in this field throughout our work programme, in the sections on the audiovisual industry, education and training and social affairs. You will, for example, come across an integrated programme on the gradual liberalization of the telecommunications sector. Examples include the proposals on ONP, the liberalization of infrastructure, mobile communications and the increased budget for the fourth framework programme for research, the cornerstone of our innovative policy.

2. I have already mentioned the importance I attach to completing work in progress. Many proposals are still pending before the Council and Parliament. At the latest count there were over a hundred! This is very damaging to Europe's image.

In this context I would particularly emphasize the completion of the internal market, energy policy and the environment.

We should complete the internal markets in electricity and natural gas this year. If we find that the Council has made no progress, the Commission will have to take matters into its own hands. There are a number of agreements with the United States, Russia, Ukraine and the other CIS States to be put into effect in the nuclear field — a sensitive, but extremely important area. There is also a significant amount of unfinished business left over from 1994 in the environmental field. Many of the priorities relate to requests made by the European Parliament. To allow the internal market to improve the daily life of businesses and the general public we must not only consolidate our achievements to date but also make good any shortcomings that become apparent when the first assessment is made and ensure effective implementation.

As Europe prepares for the 21st century I should like to mention the major networks that bring fresh life to the regions and encourage trade. They must be built. I can only advise those who doubt the value of such projects to note the enthusiasm of those who have already had occasion to use the Channel Tunnel.

Other major projects are already under way which require a concerted effort to ensure that they are completed on schedule. The most important, of course, is the completion of economic and monetary union and the intro-

duction of a single currency. Let me repeat what I have said before: I insist on the strict application of the terms of the Treaty, no more, no less. The timetable has been agreed: I am simply asking that we stick to it. The four criteria have been spelled out: let us now comply with them. There are encouraging signs of growth; this is not the time to relax our efforts to achieve convergence. The Commission will make its contribution through its recommendations on the broad guidelines of economic policy, and will hear what you have to say on this issue.

Of course preparations must be made for economic and monetary union on an economic level, but we must not miss the boat for lack of technical preparation. With this in mind, the Commission will prepare a Green Paper on the conditions for the transition to a single currency. I want industry, but above all the ordinary public, to understand what an invaluable instrument a single currency will be for progress.

3. Let us turn now to the great debates that will take place this year. There are plenty in the offing: the Commission is putting forward 21 programmes and action plans (some of which, like the fourth equal opportunities programme, will be of a legislative nature) and 67 texts in the form of Green and White Papers and communications of one sort or another, all of which will generate debate. I expect a significant response to these stimuli, from Parliament, the general public, businesses and labour and management organizations.

It is hard to single out just one area among the many in which we are preparing for entry into the 21st century. I shall mention just two or three.

(a) Improving industrial competitiveness is an essential prerequisite for growth in the economy. Let me draw your attention to three elements in the programme presented today.

(i) The follow-up to the recent Commission communication on industrial competitiveness. This involves promoting quality, linking research and industrial competitiveness more effectively and, above all, preparing a White Paper on education and training, the crucial levers for progress in the 21st century.

(ii) The appointment of an advisory committee on competitiveness, as suggested in Essen. This group will be independent of the Commission and consist of prominent personalities. Their names were announced yesterday afternoon.

(iii) A genuine employment policy. In this context, the Essen European Council clearly set out the five main lines of attack which we should follow. You are all familiar with them. We shall be preparing a communication on the Essen process, in which we shall outline the main features of the multilateral surveillance of employment systems. It is extremely important in this respect that the Member States draft their multiannual programmes without delay, as promised in Essen.

In any case I am thoroughly convinced that we will not succeed if we do not involve management and labour in the process and reinforce the dialogue between them at European level.

(b) Citizens will not see the benefits of the frontier-free area unless the Union can demonstrate its capacity to guarantee their security and combat the drugs traffic and organized crime. The Commission will exercise its right of initiative to the full in all matters where it can do so under the Treaties. There can be no talk of the quality of life in a society where there is no safety. In matters of immigration and asylum, drug addiction and judicial cooperation in civil matters, where many citizens are likely to be affected in their daily lives, the Commission will seek to meet their expectations and allay their concerns.

(c) Of the various topics that deserve extensive debate, there is one that I am duty-bound to mention — the pre-accession strategy for the countries of Central and Eastern Europe discussed at Essen. Personally I attach great importance to the presentation of the two White Papers we are now working on — one on the approximation of legislation and one on the common agricultural policy. But there will be other areas of the general strategy that will also call for very thorough analysis.

Before moving on to the implementation of our policies, let me briefly outline the tasks ahead of us in external relations. The reality, you will agree, is that the world at large wants a strong, open Europe that displays solidarity. The message from all four corners of the globe — from Latin America, from Eastern Europe, from Asia and from Africa — is the same: they want closer relations with the European Union, in trade matters, of course, but politically also. We must take advantage of this reality, but to do so we first need a common foreign and security policy that is worthy of the name and

actually works. Our programme consequently offers a dual message:

□ first, we must use the possibilities offered by the Maastricht Treaty to the full;

□ then, we must prepare resolutely and imaginatively for the 1996 Intergovernmental Conference.

Here I cannot overlook one issue to which this House attaches great importance — human rights. We shall be laying a report on this before you and the Council

But work on devising a veritable common foreign and security policy should not blind us to the more traditional aspects of our external relations — the common commercial policy, development aid, our dense network of bilateral economic relations, and so on.

4. That leaves the last of the four aspects of our activity — the actual implementation of our policies. Two features must, I think, be permanently visible — accessibility and rigour. The programme has more to say on this, but there are a few points I should like to touch upon now:

□ Rigour is the one feature we must display if the citizen is to retain confidence in the Community institutions. The Commission must maintain an unflinching policy of enforcing Community law, using Article 171 whenever necessary. And it must never flinch in the fight against fraud. Success will elude us as long as the Community institutions and the Member States do not present a constant united front. The new Commission has clearly stated its priorities in this respect. One of its first decisions was to adopt a vast programme of anti-fraud measures. I am glad to have this oppor-

tunity today to inform you that yesterday the Commission decided to entrust the whole range of anti-fraud activities to a reinforced fraud prevention unit.

□ As for the accessibility, the groupability, of the Community venture, the whole reality of Community citizenship depends on this. Our citizens are offering opinions — and will do so more and more — on where Europe ought to be going, and I warmly welcome this almost revolutionary change in the relationship between the institutions and the people. But if they are to offer opinions, they first need to understand what is going on, and we must therefore simplify and streamline our legislation. We must be ever clearer on the need for action. And to that end we must abandon our parochial quarrels and our demarcation disputes. I solemnly appeal to all the institutions to work together on this, taking criticisms and suggestions on board and leaving individual sensitivities aside.

The transparency imperative is particularly acute in the run-up to the 1996 Intergovernmental Conference. Time is short. We must work with an open, constructive spirit. I want the entire field to pass the finishing post together.

*Mr President,
Ladies and gentlemen,*

Paul Valéry described politics as the art of teaching people not to concern themselves with what concerns them. Like you I am glad to prove him wrong and to use our transparent, constructive style as a means of attracting Europe's citizens to show greater interest with every day that passes in what affects them directly.

**Resolution of the European Parliament
on the Commission's work programme
and legislative programme for 1995**

THE EUROPEAN PARLIAMENT

Having regard to Rule 49 of its Rules of Procedure,

Having regard to the Interinstitutional Declaration of 25 October 1993 on democracy, transparency and subsidiarity,¹

Having regard to the Commission's programme for 1995 (COM(95) 0026) and the indicative calendar for legislative proposals and priority international agreements (SEC(95) 0244),

Having regard to the debate of 17 and 18 January 1995 on the political guidelines of the nominated Commission and its decision of 18 January 1995 approving the nominated Commission,

Having regard to the statement of 15 February 1995 by the President of the Commission on the latter's programme and the debate on that subject,

Having regard to the priorities for the first half of 1995 announced by the Council Presidency at the January part-session,

A — Whereas the Commission's programme is a useful instrument for planning the legislative activities of the Union's institutions;

B — Whereas the legislative programme is an interinstitutional programme which can be implemented effectively only if it is accepted by the Union institutions;

Procedure

1. Welcomes the form and structure of the programme and the prospects opened up by it; in particular, welcomes the inclusion in the programme of a large number of White and Green Papers which will enable the European Parliament to express its views on new measures and intervene in the decision-making process at an early stage; hopes that these strategic documents will serve as the basis for future legislative proposals;

2. Welcomes the announcement by Mr Santer, President of the Commission, that the legislative programme will be assessed each autumn, and calls for the findings of that assessment to be forwarded to it so that the Commission, the

European Parliament and the Council can reach a joint decision on the action to be taken on the various proposals;

3. Notes that the Commission failed to complete the 1994 legislative programme and that Parliament has not been informed of the reasons which prompted it to abandon, transform or postpone a number of proposals; takes the view that explanations for each individual case are vital to the credibility of the whole legislation programme exercise; takes the view that an interinstitutional assessment should be carried out, each autumn, of proposals which have been held up in the Council for more than a year; calls for a procedure similar to the present budget procedure involving the Council, Parliament and the Commission to be instituted as a means of settling disputes and monitoring the implementation of the legislative programme;

4. Points out that during the last parliamentary term 23% of the legislative proposals had to be dealt with by Parliament under the urgent procedure, as requested by the Council or the Commission; this figure would have been even higher if, in more than 200 cases, Parliament had not been forced to reject the request for the urgent procedure owing to the excessively short time-limits or the lack of the requisite documents; hopes that this figure will be considerably reduced in the future, by means of improved joint legislative planning, in order to avoid the disputes inherent in such urgent procedures which prevent the European Parliament from giving the proposals concerned proper attention;

5. Takes the view that any decision-making procedure concerning the legislative programme must seek to secure an agreement between the Commission, Parliament and the Council; in this connection, calls on the Council to take part in the efforts to draw up a transparent, effective legislative programme and to decide upon and communicate each autumn its legislative priorities for the following year as part of a responsible interinstitutional cooperation procedure;

6. Hopes that the effectiveness of the legislative programme as a working instrument can be increased by expanding the indicative calendar to include information concerning:

the legal bases for proposals,

the likely date on which proposals will be submitted;

¹ OJ C 329, 6.12.1993.

7. Reminds the Commission of its undertaking in principle to submit the annual programme in October; is aware of the exceptional circumstances which prevented observance of this timetable for 1995; calls, however, on the Commission to give a firm undertaking to draw up future legislative programmes in the autumn of the previous year, in close cooperation with the relevant committees of the European Parliament; hopes that the priorities outlined by the European Parliament during that procedure will be incorporated into the legislative programme;

The programme

8. Notes shortcomings in the Commission's programme for 1995, in particular in the following areas: measures to combat unemployment, citizens' rights, social policy, consumer protection, environmental protection, equal opportunities and anti-fraud measures; lays down its priorities for the 1995 legislative programme, calling for:

□ the European Union's first priority to be the fight against unemployment, which is rife in Europe, bringing with it social exclusion and an increase in the numbers of the poor;

□ the measures needed to modernize the economy not to jeopardize the fundamental principle of economic and social cohesion, equal opportunities and equal access to public services (health, education, transport, energy and telecommunications);

□ the Commission to launch an internal debate with the objective of achieving better coordination of all the Union's policies and instruments to strengthen economic development, economic and social cohesion, environmental objectives and regional solidarity;

9. Calls in particular:

(a) *with regard to employment and economic and social cohesion:*

(aa) on the Commission to propose economic guidelines designed to transform growth into jobs and prepare an overall plan for the creation of 15 million jobs between now and the year 2000. This plan should incorporate a new development model based on the ideas set out in Chapter 10 of the 'Delors White Paper', taking into account the principles of ecologically sustainable economic growth which should be outlined in a White Paper on the

environment and employment. This whole matter should be discussed at an employment conference to be organized by the European Parliament and the Commission in autumn 1995;

(ab) for a genuine industrial policy to be drawn up with the aim of making all sectors of European industry competitive and for that policy to take into account the views of the two sides of industry; a Bangemann II working party should be set up so that all those affected by information super-highways can take part in the discussions; for the activities of co-operatives, mutuals and associations to be strongly encouraged, since the social economy has an important part to play in job creation; for the Commission to urge the Council to establish its common position on the proposals concerning the status of the social economy as soon as possible;

(ac) on the Commission to organize the monitoring of national employment policies, and reminds the Commission of its promise to involve Parliament in carrying out the multilateral monitoring exercise, and in formulating the recommendations to be issued to the Member States; calls on the Commission, in collaboration with the European Parliament to firm up its proposals on social convergence;

(ad) on the Commission to acknowledge the role of Structural Funds in job creation and, to this end, to undertake to ensure effective management and horizontal integration of programmes to maximize their impact on employment policy;

(ae) on the Commission to ensure cooperation between the relevant Commissioners and their balanced input into policy development where the information society is concerned;

(af) for the revival of the social dialogue at European level to lead to negotiations on a European social pact;

(ag) for the blocking tactics affecting the social Europe programme to be overcome through the application of the Social Protocol signed by 14 Member States in respect of all proposals pending in the Council;

(ah) on the Commission to review the strategies laid down by the Ecofin Council and the 'Molitor' Group, taking as its basis the report published by the Internal Labour Organization

challenging the effectiveness of labour-market deregulation as a job creation instrument;

(b) *with regard to economic and monetary policy and with particular attention to its effects on employment:*

(ba) on the Commission to initiate a common approach to closer international monetary cooperation with the ultimate aim of price stability, thereby leading to stable exchange rates;

(bb) on the Commission to draw up a proposal to improve participation by Parliament, which must be consulted on the draft texts before they are submitted to the Council, the broad guidelines of economic policies (Article 103(2)), reports on multilateral surveillance (Article 103(3)) and the reports and recommendations concerning the existence of an excessive government deficit (Article(104(c)) and receive the final texts at the same time as the Council;

(bc) on the Union to take part in a global harmonization of regulation and surveillance of the financial system to preserve its stability and avoid negative effects on the real economy;

(bd) for European Monetary Union to be carefully prepared and for national economic policies to be conducted towards fulfilment of the convergence criteria, thereby enabling the greatest possible number of Member States to participate;

(be) for the legislative measures needed to move to the final stage of EMU to be prepared and presented without delay so that EMU can be launched as soon as the conditions for it are met; calls for the details not to suffer when the work is speeded up;

(bf) for the Green Paper on the introduction of a single currency to be presented well before the European Council in June 1995 and to be accompanied by an explanatory document summarizing the advantages of EMU;

(bg) on the Commission to speed up its presentation of measures to complete the internal market, in particular those aimed at:

- harmonizing VAT rates and adopting a definitive and efficient system,
- continuing with the harmonization of excise duties,
- adopting the Directive on cross-border payments without delay;

(c) *with regard to the environment:*

(ca) on the Commission to initiate in 1995 the procedure laid down in Article 20 of Council Regulation (EEC) 1210/90 for the establishment of a European Environment Agency and to put forward a proposal on the allocation of monitoring powers in the light of the Community legal provisions (environmental inspectorate);

(cb) on the Commission to put forward new proposals to bring Community legislation into line with higher standards obtaining in the new Member States;

(cc) for a proposal for revision of the fifth environmental action programme pursuant to the procedure set out in Article 130s(3) of the EC Treaty;

(cd) on the Commission to take action, pursuant to Parliament's demand in its resolution of 2 March 1995 on a strategy for climatic protection in the EU, to forward a communication to Parliament and the Council on the reduction aims for carbon dioxide emissions in the EU in 2005 and 2010 and insists that such reductions should attain 20% by 2005;

(ce) for a directive on least-cost planning;

(cf) for revision of the existing law on waste and the Community waste strategy by means of a general action programme for an integrated European waste management policy;

(cg) for a directive on soil protection incorporating strict rules on protection against pollutants and provisions governing sustainable soil use (land use, erosion, compression);

(ch) for a comprehensive strategy on the reduction of CO₂ emissions and the progressive introduction of a European energy and CO₂ tax which respects the principle of fiscal neutrality;

(ci) for a directive on the reduction of the proportion of benzene in petrol, stipulating that the proportion of benzene, which is regarded as carcinogenic, should be cut to less than 1%;

(cj) for work, with the help of a commitment given by the industrial sectors concerned, towards the introduction of the 'five-litre car' (maximum average fuel consumption of five litres per 100 kilometres for newly-registered cars by the year 2005);

(ck) on the Commission to include in its work programme the old proposal for NO_x norms for

aeroplanes, promised in 1993 but never presented;

(cl) for a general, comprehensive action programme to combat noise;

(cm) for legal provisions on the protection of rivers and streams against phosphates and the reduction of coastal and maritime pollution;

(cn) for a directive on the transport of dangerous substances by pipeline;

(co) for a directive making the law on environmental liability effective;

(cp) for a directive which gives environmental NGOs the right to go to the Court of Justice on environmental matters (in German: 'Verbandsklage');

(cq) for a White Paper on the environmental aspects of accession of the countries of Central and Eastern Europe to the European Union;

(cr) for a Green Paper on trade and the environment as well as measures supporting fairness and solidarity in trade as requested by Parliament's resolution of 19 January 1994 on promoting fairness and solidarity in North-South trade;¹

(d) *with regard to consumer protection policy:*

(da) for the Commission, in the Green Paper on legal provisions relating to foodstuffs, to give a clear commitment to harmonization of consumer-friendly systems for the labelling of the quality of foodstuffs and to amplify the law on labelling in force in the Community in order to ensure that consumers receive clear, readily understandable information, not least as regards advertising claims;

(db) for a directive on protection against misleading advertising;

(e) *with regard to health policy:*

(ea) on the Commission to present a comparative analysis of the health systems of the Member States in order to establish efficiency criteria for improved cooperation between the Member States in accordance with Article 129 of the EC Treaty;

(eb) for common European Union standards to be defined to ensure minimum levels of health care;

(f) *with regard to human rights and citizens' rights and transparency:*

(fa) for the necessary steps to be taken to enable the European Union to accede to the European Convention on the Protection of Human Rights and Fundamental Freedoms in 1995;

(fb) on the Commission to propose all the necessary measures to ensure the free movement of persons and recalls that the European Parliament has been obliged to initiate proceedings for failure to act in order to protect this essential right of European citizens;

(fc) for a directive to be adopted to combat racism, xenophobia and anti-Semitism, and revisionist acts and denial of the Holocaust;

(fd) for a framework directive on immigration to be drawn up, followed by specific directives on reuniting families, access to the employment market, vocational training, return to the country of origin and the status of temporary workers;

(fe) for a proposal to follow up the Green Paper on legal redress for consumers, with the aim of simplifying and speeding up the settlement of trans-frontier disputes and improving access to and the quality of legal aid;

(ff) on the Commission to work with Parliament on establishing a code of conduct concerning the activities of lobbyists, guaranteeing transparency for these activities;

(fg) on the Commission to take a decision on the right of citizens to be kept informed, in which it undertakes to publish in the Official Journal any plans for legislation together with a schedule, thereby enabling citizens and undertakings to make their opinion known, and to set up a public register listing all those who have been consulted by the Commission or who have delivered an opinion;

(fh) on the Commission to take a decision in which it undertakes to bring proceedings before the Court of Justice with a view to imposing fines whenever a Member State fails to take the necessary measures to comply with a judgment of the Court of Justice within one year (Article 171 of the EC Treaty);

(g) *with regard to legal affairs:*

for a directive to coordinate the laws, regulations and administrative provisions relating to the reorganization and liquidation (insolvency)

¹ OJ C 44, 14.2.1994.

of businesses operating in several Member States;

(h) *with regard to equal opportunities:*

for the principles fundamental to equal opportunities to be observed in all sectoral policies; more particularly, for the submission at the earliest opportunity, as part of the fourth action programme for equal opportunities between men and women, of measures to allow the rapid adoption of the directives pending in the following areas:

- atypical forms of work,
- equality of treatment for men and women in statutory and complementary social security schemes,
- the reversal of the burden of proof,
- sexual harassment, and
- parental leave,

in order to eliminate discrimination to which women are still subjected in the labour-market;

(i) *with regard to public services:*

(ia) for equality among the citizens of the Union to entail equal access for all to basic services. The modernization of the economy must not be carried out at the expense of consumers; the Commission should propose a definition of 'universal service' for all sectors, and not just postal services, a sectoral approach being unacceptable;

(ib) for a political solution along the lines proposed by Parliament in its opinions of 17 November 1993 on the proposals for directives on common rules for the internal market in electricity and natural gas;¹ for this proposal to be based on Article 100a of the Treaty on European Union and rejects all attempts to establish these rules on any other legal basis (i.e. by means of directives or decisions based on Article 90);

(ic) for the formal recognition of the role of public services and public administration in the implementation of Community regional policy and in achieving the goal of economic and social cohesion;

(id) on the Commission to refrain from using Article 90(3) of the Treaty on European Union

except in exceptional cases, after consultation of Parliament, and to avoid using it in any matter connected with the drafting of directives;

(j) *with regard to media concentration and the pluralism of information and culture:*

(ja) on the Commission to put forward as quickly as possible a directive to regulate and restrict media concentration and encourage pluralism in the European Union; to adopt the revised 'Television without frontiers' Directive in April 1995, maintaining and improving the measures on the application of the distribution quotas for European audiovisual production; to propose the establishment of a guarantee fund for the film industry and the audiovisual sector;

(jb) on the Commission to propose, in the process of developing the information society, a Green Paper on intellectual property and take into account the impact of the information society on democracy, employment, education, data protection and the protection of privacy, civil liberties and culture;

(jc) for a programme to safeguard the architectural heritage, making use of European audiovisual media;

(k) *with regard to energy and research:*

(ka) for a special proposal covering all measures to promote renewable energies;

(kb) for a communication on the future of the ECSC and Euratom Treaties;

(kc) for the proposal on the refinancing of the fourth framework programme of research to be made available in good time so that Parliament can consider it under democratically acceptable conditions;

(kd) for significant improvements in administrative procedures for involving small and medium-sized enterprises in R&TD programmes, in particular by introducing efficient information measures and simplifying rules;

(ke) for a long-term policy on space and the aeronautics sector;

(l) *with regard to transport and tourism:*

(la) for directives on working time in the transport sectors and the revision of Regulation (EEC) No 3820/85 which incorporates the concept of 'service time';

¹ OJ C 329, 6.12.1993.

(lb) for immediate proposals for the measures still needed to complete the internal transport market and urges the Commission to make rigorous use of the powers conferred on it by the Treaty to compel the Member States to transpose Community legislation into national law;

(lc) on the Commission to submit immediately instead of a White Paper, a proposal for the institutional and technical regulation of air traffic management and control and agreements with third countries;

(ld) on the Commission to present its long overdue Green Paper on tourism as soon as possible;

(m) *with regard to the budget, budgetary control and the fight against fraud:*

(ma) for detailed practical proposals:

to strengthen budgetary discipline, both in the Commission and in the Member States;

on the role of the reorganized anti-fraud unit (UCLAF) in spearheading the fight against fraud;

on the role of the Member States in combating fraud against the Union budget;

on improving financial management and control, in particular of the Structural Funds, which constitute 36% of the Union budget;

(mb)

for a proposal on the classification of expenditure;

for a report on the cost of enlargement to Central and Eastern Europe in the agricultural field;

(mc) on the Commission to take positive initiatives to budgetize Lomé funding, which would give Parliament much needed democratic control;

(md) for the unilateral suspension of the payments to be made in all spheres of Community policy where Member States, in breach of Article 209a of the Treaty, fail to protect the financial interests of the Union;

(me) on the Commission to give priority to following up the reports to be prepared in response to the Essen Council showing the action which Member States themselves are taking to protect the financial interests of the Community in the same way as their own;

(n) *with regard to agriculture and fisheries:*

(na) for the legislative programme to be completed by the following elements:

a framework regulation to be drawn up laying down the basic principles of a proper integrated rural development policy;

support for Parliament's legislative initiative (Article 138b) aimed at establishing a global strategy on Union forestry policy;

a simplification of the rules reforming the CAP, as requested by the European Parliament;

stronger promotion of renewable raw materials and better coordination of research and demonstration projects to allow this sector to be exploited efficiently;

(nb) for a Green Paper to be drawn up on working conditions and safety on board fishing vessels;

(nc) for proposals for a specific Mediterranean policy;

(nd) for specific proposals to deal with unemployment in the fisheries sector caused by the depletion of fish stocks as a result of environmental and economic problems;

(ne) on the Commission to take the necessary measures to integrate the fisheries agreements with developing countries into the development policy of the EU;

(o) *with regard to foreign affairs and development policy:*

(oa) on the Commission to draw up a White Paper on the common foreign and security policy; to put forward, in preparation for the 1996 Intergovernmental Conference, proposals to remove the democratic deficit in foreign policy; to work, in the meantime, towards the conclusion of an interinstitutional agreement allowing Parliament to be involved as closely as possible in formulating and implementing the CFSP;

(ob) for the establishment of a proper common security policy. Ensuring that there is peace in Europe is primarily the responsibility of Europeans themselves. NATO, the WEU, the North Atlantic Cooperation Council and the CSCE are important components of this common security system for the whole of Europe;

(oc) for the continuation of the pre-accession strategy for the countries of Central and Eastern Europe, Malta and Cyprus, and asks to be involved fully in this work;

(od) for the establishment of peace through cooperation. The Commission is therefore urged to take the initiative in persuading the Union to cancel the multilateral and bilateral debt of the developing countries, particularly the ACP States. With regard to the trade aspects, a meaningful system of trade preferences for the ACP countries must be retained. As far as the countries of Central and South America and Asia are concerned, efforts must be made to bring about the conclusion of the cooperation agreement with Mercosur, and the partnership agreement with Mexico, and vigorously to pursue the implementation of the new strategy for Asia. Education, health, job-creation and rural and urban development measures taken by the developing countries must be encouraged via the European reconstruction and development programme;

(oe) on the Commission to propose legal bases allowing Parliament to participate fully in the conclusion of the agreements with South Africa and the signatory States of the Lomé Convention;

(of) on the Commission to make its contribution to establish a new framework for relations between the EU and non-member countries in the Mediterranean; this framework, based on the experience of the Helsinki process, should give rise to a Euro-Mediterranean conference on security, cooperation and development;

(p) *with regard to internal affairs:*

(pa) on the Commission to make more active use of the means granted to it under Article K of the Treaty and to provide for proposals under Article K.3(2) of the third pillar of the Treaty on European Union; for Parliament to be properly informed and consulted in accordance with Article K.6 and for a full overview to be made available to it;

(pb) on the Commission to use the potential of the third pillar to the full, including application of the Article K.9 procedure;

(q) *with regard to the Community civil service:*

on the Commission to submit a proposal for a regulation introducing special measures to terminate the service of officials and temporary staff of the European Parliament following the enlargement of the European Union on 1 January 1995;

(r) *with regard to the 1996 Intergovernmental Conference:*

(ra) on the Commission to take into account the fact that European Parliament representatives in the Reflection Group are full members with the same status as the representatives of the Member States and the Commission;

(rb) on the Commission, in its report, and through its representatives on the Reflection Group, to demonstrate its solidarity with Parliament concerning the important institutional reforms which must be carried out at the Intergovernmental Conference in 1996 in order to strengthen Parliament, in particular by extending the co-decision procedure;

10. Calls on the Council to express its views and play a full part in the negotiations which will be required to implement the 1995 legislative programme;

11. Instructs its President to reach agreement, on this basis, with the President of the Commission on the annual legislative programme for 1995;

12. Instructs its President to forward this resolution to the Commission, the Council, the parliaments of the Member States, the Economic and Social Committee and the Committee of the Regions.

European Commission

Address by Jacques Santer, President of the Commission, to the European Parliament on the occasion of the investiture debate of the new Commission

Commission's programme for 1995

Presentation to the European Parliament by Jacques Santer

Resolution of the European Parliament on the programme for 1995

Supplement 1/95 to the Bulletin of the European Union

Luxembourg: Office for Official Publications of the European Communities

1995 — 69 pp. — 17.6 × 25.0 cm

ISBN 92-826-9755-X

Price (excluding VAT) in Luxembourg: ECU 7