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NOTE TO READER

Appearing at the same time as the English edition are editions in the five other official languages of the Communities: Danish, German, French, Italian and Dutch. The English edition contains the original texts of the interventions in English and an English translation of those made in other languages. In these cases there are, after the name of the speaker, the following letters, in brackets, to indicate the language spoken: (DK) for Danish, (D) for German, (F) for French, (I) for Italian and (NL) for Dutch.

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IN THE CHAIR: MR BERKHOUWER

President

(The Sitting was opened at 4.05 p.m.)

President. — The sitting is open.

1. *Resumption of the session*

President. — I declare resumed the session of the European Parliament adjourned on 14 June 1974.

2. *Apologies for absence*

President. — An apology for absence has been received from Mr Schuijt, who regrets his inability to attend this part-session.

3. *Congratulations to Mr Wohlfart*

President. — On behalf of you all, I have the pleasure to congratulate Mr Wohlfart on his recent appointment as Minister for Internal Affairs in the new Luxembourg government. He will be sorely missed in the Bureau and as Vice-President of the European Parliament.

4. *Order of business*

President. — I would remind the House that the order of business for this part-session was adopted in Strasbourg on 14 June 1974.

Does anyone wish to speak?

I call Mr Alfred Bertrand.

Mr Bertrand. — (NL) Mr President, I have asked for the floor to request that an item be added to the agenda in connection with a proposal from the Commission to the Council for a regulation which must be approved before 1 July. The committee responsible is the Committee on Social Affairs and Employment, because the proposal concerns an amendment to Article 107 of Council Regulation (EEC) No 574/72 of 21 March 1972 or—to put it briefly—the elimination of the disadvantageous effects of changes in exchange rates on social security payments to families in the nine Member States. It is a very technical document. The Committee on Social Affairs and Employment will meet this evening, and I would ask that the motion for a resolution be put on the agenda for Friday morning, without debate, so that the regulation can be approved by the Council before 1 July.

President. — Mr Bertrand therefore proposes that his report on the social security system be dealt with without debate on Friday.

Are there any objections?

The proposal is adopted.

I call Mr Bourges.

Mr Bourges. — (F) Mr President, you yourself have said that once our order of business has been adopted, it can no longer be changed. That is not, however, the point of my speech. I should simply like to say on behalf of my group that it would seem to us regrettable if the problems connected with agriculture were to be discussed on Friday, which is not the most convenient day for many Members of this Parliament.

As agricultural questions are very important and have, up to the present at least, produced the most rewarding results in our Community, it would be advisable for them to be dealt with in the middle of part-sessions in the future.

President. — Mr Bourges, following a similar remark by Mr Scott-Hopkins when the order of business was being fixed for this part-session, we decided that agricultural questions should be dealt with on the first day at the next part-session in Strasbourg.

I call Mr Aigner.

Mr Aigner. — (D) Mr President, on behalf of the Committee on Budgets I would ask—since we are discussing the order of business—for Mr Herbert's report to be removed from tomorrow's agenda because the Committee on Budgets has simply not been in a position to discuss it and because the original intention was that it would not be debated until the July part-session.

On behalf of the Committee on Budgets, I would ask for another item to be included in its place: the report by Mr Pounder, which unfortunately does not appear in this order of business although it was to have been. The report concerns the Council's decision of 13 May 1974 not to draw up a Draft Supplementary Budget No 1 of the European Communities for the 1974 financial year.

Mr President, we feel that this of all reports should be discussed during this part-session since we want to put our political deliberations on this supplementary budget to the Council in a very emphatic manner. I would be grateful to you if this could be decided today.

President. — Mr Aigner, your remarks coincide with the request I have received from Mr Spénale, chairman of the Committee on Budgets, to place Mr Pounders' report on the decision not to draw up a Draft Supplementary Budget No 1 for 1974 on the agenda for today's sitting and to deal with it by urgent procedure.

I therefore consult Parliament on the adoption of urgent procedure.

Are there any objections?

The adoption of urgent procedure is agreed.

I propose that Mr Herbert's report be removed from the agenda for Thursday, 27 June 1974 and that Mr Pounder's report replace it.

Are there any objections?

That is agreed.

I call Mr James Hill.

Mr James Hill. — Mr President, I am not sure whether this is the right time to raise this, but I think you have already received a letter from me saying that in accordance with Rule 14 of our Rules of Procedure Mr Giraud's report contained in PE 37.138 on Doc. 120/74 on the Community quota for the carriage of goods by road between Member States should be considered at this part-session. The reason why I make this request is that my committee at their last meeting felt that Mr Giraud's report should be voted on during this part-session in view of the letter from the Secretary-General of the Council to you dated 29 May 1974, which asked for Parliament to deliver its opinion in June since the Council planned to consider this proposal at its next meeting on transport problems. If it is agreeable with you, I would propose that Mr Giraud's report be considered tomorrow afternoon.

President. — Mr James Hill proposes that Mr Giraud's report on Community quotas for the carriage of goods should be dealt with on Thursday afternoon.

Are there any objections?

That is agreed.

The time-limits for the tabling of amendments to the report drawn up by Mr Gerlach on the draft estimates of the revenue and expenditure of the European Parliament for the financial year 1975 has been fixed at 6.30 p.m. this evening.

The chairman of the committee and the rapporteur have, however, informed the Bureau that this report is unlikely to give rise to a debate.

5. Texts of treaties forwarded by the Council

President. — Since the session was adjourned, I have received certified copies of the following draft treaties:

- Agreement in the form of an exchange of letters between the European Economic Community and the Kingdom of Norway on customs arrangements to be applied to certain fishery products originating in Norway;
- Agreement between the European Economic Community and the Republic of Niger on the supply of maize and sorghum as food aid;
- Agreement between the European Economic Community and the Republic of Senegal on the supply of maize as food aid;
- Agreement between the European Economic Community and the Republic of Tunisia on the supply of common wheat as food aid.

6. Documents received

President. — I have also received the following documents:

(a) from the Council of the European Communities, requests for an opinion on:

- the proposal from the Commission of the European Communities to the Council for a directive on harmonization of the legislations of Member States on the retention of the rights and advantages of employees in the case of mergers, take-overs and amalgamations (Doc. 149/74).

This document has been referred to the Committee on Social Affairs and Employment as the committee responsible and to the Legal Affairs Committee and the Committee on Economic and Monetary Affairs for their opinions;

- the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No 2108/70 of the Council of 20 October 1970 determining the Community scale for grading pig carcasses (Doc. 150/74).

This document has been referred to the Committee on Agriculture;

- the proposal from the Commission of the European Communities to the Council for transfers of appropriations

from Chapter 98: Provisional appropriations not allocated

President

to Chapter 25: Expenditure for formal and other meetings (Doc. 159/74).

This document has been referred to the Committee on Budgets;

- the proposal from the Commission of the European Communities to the Council for a regulation amending Article 107 of Regulation (EEC) No 574/72 of the Council of 21 March 1972 fixing the procedure for implementing Regulation (EEC) No 1408/71 on the application of social security schemes to employed persons and their families moving within the Community (Doc. 160/74).

This document has been referred to the Committee on Social Affairs and Employment;

- the proposal from the Commission of the European Communities to the Council for a regulation on the approximation of the laws of the Member States relating to the scales of charges for the testing of gas meters (Doc. 164/74).

This document has been referred to the Committee on Economic and Monetary Affairs as the committee responsible and to the Legal Affairs Committee for its opinion;

- (b) from the Commission of the European Communities the draft of a regulation of the Commission introducing procedures for implementing certain provisions of the Financial Regulation of 25 April 1973 (Doc. 151/74).

This document has been referred to the Committee on Budgets.

- (c) Oral Questions, pursuant to Rule 47 A of the Rules of Procedure, from Lord Chelwood, Mr Eisma, Mr Willi Müller, Lord Mansfield, Sir Douglas Dodds-Parker, Mr McDonald, Mr Delmotte, Mr Martens, Mr Noè, Mr Creed, Mr Scott-Hopkins, Mr John Hill, Mr Härzschel and Mr Gerlach for Question Time on 27 June 1974 (Doc. 152/74);

- (d) from the committees, the following reports:

- report by Mr Gibbons on behalf of the Committee on Public Health and the Environment on the proposal from the Commission of the European Communities to the Council (Doc. 117/74) for a decision on the procedures of the Standing Veterinary Committee (Doc. 147/74);
- report by Mr Cousté on behalf of the Committee on Economic and Monetary Affairs on the Communication from the

Commission of the European Communities to the Council on Community policy on data processing (Doc. 153/74);

- report by Mr Terrenoire on behalf of the Committee on Budgets on the request for the non-automatic

carrying forward of appropriations from the financial year 1973 to the financial year 1974 submitted by the Commission of the European Communities to the Council (Doc. 110/74) - (Doc. 154/74);

- report by Mr Pounder on behalf of the Committee on Budgets on the Council decision of 13 May 1974 not to draw up a Draft Supplementary Budget No 1 of the European Communities for 1974 (Doc. 155/74);

- report by Mr Gerlach on behalf of the Committee on Budgets on the draft estimates of revenue and expenditure of the European Parliament for the financial year 1975 (Doc. 156/74);

- report by Mr Giraud on behalf of the Committee on Regional Policy and Transport on the proposal from the Commission of the European Communities to the Council (Doc. 120/74) for a regulation extending and modifying Regulation No 2829/72 of the Council of 28 December 1972 regarding the Community quota for the carriage of goods by road between Member States (Doc. 157/74);

- second report by Lord Lothian on behalf of the Committee on External Economic Relations on the recommendations adopted in Berlin on 28 March 1974 by the Joint Parliamentary Committee of the EEC-Turkey Association (Doc. 71/74) - (Doc. 158/74);

- second report by Mr Flämig on behalf of the Committee on Energy, Research and Technology on the proposal from the Commission of the European Communities to the Council (Doc. 89/74) for a revision of the multi-annual research programme (Doc. 161/74);

- report by Mr Bourdellès on behalf of the Committee on Agriculture on the Communication from the Commission of the European Communities to the Council (Doc. 108/74) on the resolution concerning animal and plant health and animal nutrition (Doc. 162/74);

- report by Mr Noè on behalf of the Committee on Energy, Research and Technology on the proposal from the Commis-

President

sion of the European Communities to the Council (Doc. 80/74) for a decision adopting a programme of research and education for the European Atomic Energy Community on plutonium recycling in lightwater reactors (indirect nuclear project) - (Doc. 163/74);

- (e) from the Committee on Public Health and the Environment a motion for a resolution on the threat to the Dollard nature reserve (Doc. 148/74).

7. Allocation of speaking time

President. — In accordance with the usual practice and pursuant to Rule 31 of the Rules of Procedure, I propose that speaking time be allocated as follows:

- 15 minutes for the rapporteur and one speaker for each political group;
- 10 minutes for other speakers;
- 5 minutes for speakers on amendments.

I also propose that speaking time on oral questions with debate be allocated as follows:

- 10 minutes for the author of the question;
- 5 minutes for other speakers.

Are there any objections?

That is agreed.

I would also ask members of the enlarged Bureau to note that in view of the many subjects we have to discuss the Bureau's meeting tomorrow morning has been brought forward from 9 a.m. to 8.30 a.m.

8. Action taken by Commission on opinions of Parliament

President. — The next item is the communication from the Commission of the European Communities on the action taken on opinions and proposals by Parliament.

I call Mr Scarascia Mugnozza.

Mr Scarascia Mugnozza, Vice-President of the Commission of the European Communities. — (I) Mr President, before dealing with this subject I should first like to point out—in a personal capacity, of course—that the Council of Transport Ministers is meeting tomorrow in Luxembourg and I shall thus unfortunately not be able to be present to reply to the oral

questions which have been put on the problems of the Rhine, nor to take part in the debate on the Giraud report, which this House has just decided to add to the agenda. Of course, one of my colleagues will replace me.

As to the action taken by the Commission on the opinions of Parliament, I am first of all happy to be able to state that the Commission took full account of the views expressed by Parliament in the Bersani report and has already forwarded to the Council a modified proposal for a preliminary programme for consumer information and protection.

It has also forwarded to the Council a modified proposal on the subject of the codification procedure, which takes account of all the amendments contained in the Memmel report.

As regards transport—which, like consumer affairs, is a sector for which I am directly responsible—the Commission has already forwarded to the Council a modified proposal for a directive on the technical control of motor vehicles. Mr Herbert submitted a report on this directive during the February part-session. In this case, too, full account was taken of the European Parliament's opinion. I think, incidentally, that your institution has already received the text of these modified proposals.

More particularly, as regards the first part-session in June, the Commission, on my initiative, has taken the following decisions. Above all, as I have already had occasion to say, the Commission has adopted the suggestion contained in the Giraud report confirming the 'polluter pays' principle. Although the Commission was unable to amend its own proposal on account of the short deadlines, it sent a letter to the Council declaring its agreement with Parliament's proposals. The same procedure will be applied in the case of the Lulling report on assistance by the Social Fund for people working in the shipbuilding sector. As regards the two reports by Mr Jahn and Mr Marras, both concerning the creation of a European Foundation for the improvement of living and working conditions, the Commission, after examining all aspects of the modified proposals, has decided to forward a modified proposal to the Council as soon as possible. Finally, the same procedure is to be adopted in respect of the proposal on the sulphur content of certain fuels. In accordance with the wishes of the rapporteur, Mr Rosati, the Commission will, furthermore, seek to make this directive still more incisive.

President. — Thank you, Mr Scarascia Mugnozza.

9. *Draft estimates of the European Parliament for 1975*

President. — The next item is the report drawn up by Mr Gerlach on behalf of the Committee on Budgets on the draft estimates of the revenue and expenditure of the European Parliament for the financial year 1975 (Doc. 156/74).

I call Mr Gerlach, who has asked to present his report.

Mr Gerlach, rapporteur. — (D) Mr President, I do not intend to present my report as such, but I should like to repeat what you have said, that amendments must be tabled by 6.30 p.m. today.

I should like to point out to Members of the European Parliament that my report merely contains draft estimates, which will be finally adopted in the autumn.

As regards the motion for a resolution I should just like to say that it represents the sum of the elements contained in the estimates.

President. — Does anyone else wish to speak?

The general debate is closed.

I would remind the House that the vote on this report will take place tomorrow.

As Lord Lothian is not present, we shall now proceed to the report by Mr Schwabe.

10. *Regulation on a system of bracket tariffs for the carriage of goods by road*

President. — The next item is the report drawn up by Mr Schwabe on behalf of the Committee on Regional Policy and Transport on the proposal from the Commission of the European Communities to the Council for a Regulation extending Regulation (EEC) No 1174/68 of the Council of 30 July 1968 on the introduction of a system of bracket tariffs for the carriage of goods by road between Member States (Doc. 125/74).

I call Mr James Hill, deputizing for Mr Schwabe, who has asked to present the report.

Mr James Hill, deputy Rapporteur. — Mr President, this proposed regulation is intended to extend the life of Regulation 1174/68, which introduced a system of bracket tariffs for the carriage of goods by road between the Member States, until 31 December 1976.

In the report contained in Doc. 19/74, which was agreed unanimously by the European Parliament

on 3 April 1974, the committee described briefly the aims and history of the parent regulation as amended by further regulations. The committee asks the European Parliament to recall that the obligatory system of bracket tariffs introduced by Regulation 1174/68 was experimental and was designed to provide experience which could lead to the setting up of a permanent and more flexible system.

This report could lead to the setting up of a permanent and more flexible system of reference tariffs and, as the Committee on Regional Policy and Transport has already pointed out in Doc. 19/74, delays in the implementation of the original tariff systems by the Member States and the accession of the three new Member States have so far made it impossible for sufficient experience to be gathered to arrive at a more flexible system by the date that was originally thought of, namely 1 January 1975.

Therefore, this is really the extension of an existing regulation, and this proposal should not be considered to be a political option in favour of the tariff system or of continuing in this way. In fact we, as a committee, say there is no reason to suppose from present experience that the present system should become permanent. It is an interim regulation, and I would ask the House to approve it.

President. — I call Mr Scarascia Mugnozza.

Mr Scarascia Mugnozza, Vice-President of the Commission of the European Communities. — (I) Mr President, I would like to thank both Mr Schwabe for his excellent report and Mr James Hill for presenting it to the House. I have nothing further to add, since the Committee on Regional Policy and Transport of the European Parliament has given its full approval to the Commission's views.

President. — Thank you, Mr Scarascia Mugnozza.

Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted.¹

11. *Recommendations of the EEC-Turkey Joint Parliamentary Committee*

President. — The next item is the report drawn up by Lord Lothian on behalf of the Committee on External Economic Relations on the recom-

¹ OJ No C 85 of 18. 7. 1974.

President

mendations adopted in Berlin on 28 March 1974 by the Joint Parliamentary Committee of the EEC-Turkey Association (Doc. 91/74).

I call Lord Lothian, who has asked to present his report.

Lord Lothian, rapporteur. — Mr President, in introducing this report I should like, if I may, to make a few brief observations. The Joint Committee of the Association with Turkey held its first meeting of 1974, which was its 17th meeting since its foundation, in Berlin from 24 to 28 March. The Turkish delegation had been almost entirely renewed following the parliamentary elections in Turkey in October of last year. There were three main subjects of discussion: firstly, the development of the Association and the measures needed to promote trade between the EEC and Turkey and, in particular, to increase exports of Turkish agricultural products to EEC Member States; secondly, the development of Turkey's industrial and energy potential and, thirdly, the position of Turkish workers employed in Community Member States with particular reference to certain special problems such as social security and the possible effects of the energy crisis on the position of these workers. Now, I think the thing which struck most of us pretty forcibly in the discussions was the determination of the Turkish delegation to develop the Association and to use it to the full to gain the maximum help for Turkey in its progress towards the goal of full membership of the Community.

Four recommendations were adopted unanimously at the end of the meeting. The first recommendation concerned the development of the Association and measures to promote trade between the two parties, and our report, Mr President, deals with this in some detail. In spite of the concessions already made and listed in the report, the Turks expressed some dissatisfaction at the way their trade with the Community was developing. In particular, Mr President, they were concerned about what they called the erosion of preferences which we have granted to them. By this they mean that the preferences which we grant to other countries, particularly Mediterranean countries, whose exports compete with those of Turkey, detract from the advantages which the Turks gain from our concessions to them. And there is no doubt about the deterioration in the Turkish balance of trade with the Community as Turkish exports to third countries are growing at a faster rate than its exports to the EEC, and Turkey's trade deficit with the EEC continues to increase. It was agreed that additional efforts should be made to promote Turkish agricultural and industrial exports. The Joint Committee

again deplored the Council's refusal to include Turkey in the list of the countries benefiting from generalized preferences and stressed that the opportunities offered to Turkey in the various agreements and protocols with the EEC have not been fully used by the EEC Member States to give Turkish products the advantages to which they are entitled. And it was further agreed that now that we are at the beginning as it were of the second decade of the Association, a broad action programme should be worked out between the Community and Turkey to give a fresh boost to the Association.

The second recommendation concerned the Community's contribution to Turkey's development. Turkey is still a predominantly agricultural country and in spite of all the efforts which have been made by Turkey itself and the assistance given by the EEC and described in the report, many problems still remain, in particular those of rapid population growth, weakness in the industrial sector and a very uneven distribution of industrialization over the country as a whole. The Joint Committee proposed that the Association Council should present a report on the Association's contribution to the Turkish development plan and on the measures which should be taken to improve its effectiveness.

We were of course particularly concerned by the situation created by the enormous increase in oil prices. There is in the report a proposal for the financing of a project to exploit oil resources in Turkey and neighbouring countries.

Our third recommendation was concerned with the problems of Turkish workers in the Community and particularly in Germany, where the overwhelming majority of them are to be found. Our proposals concerned working conditions, vocational training, job security—particularly in view of the unemployment caused by the oil crisis—reception facilities for workers and their families and social security problems. In connection with the last of these, the Turks were anxious that Turkish workers should be enabled to aggregate insurance periods and employment periods in the different Member States for the purposes of old age pensions, dependents' pensions and invalidity pensions and for health services for the workers and their families. The Joint Committee unanimously hoped that a solution would be found which would give Turkish workers more favourable social security arrangements than those to which they are entitled under bilateral agreements. I understand, Mr President, that the Council of Ministers has very recently been discussing this problem and that a draft decision has in fact been drawn up for submission

Lord Lothian

to the Association; if true, this is, I think, very satisfactory news.

I should also like to mention that by courtesy of the Berlin authorities we visited housing in the Turkish quarter of the city. This gave us a very fair idea of the problem which the Senate of Berlin, and indeed authorities throughout the host countries, have to deal with if conditions for Turkish workers are to reach a satisfactory standard.

Our final recommendation dealt with political cooperation between Turkey and the EEC. We were very glad to note that the new Turkish government denied any wish to loosen the links between Turkey and the Community. Although they wished for some reconsideration of the protocols which govern the transitional stage, they stressed the ultimate political objective of the Association—in other words, full Turkish membership of the Community. They did not want the Association to remain a mere commercial arrangement, and they would therefore like it to provide for political cooperation and consultation. Of course, Mr President, this is an extremely delicate matter and our recommendation does not attempt to provide any specific machinery for achieving this cooperation. Nevertheless, we share the belief of the Turkish delegation that such a development of the Association would bear witness to the desire of the Nine and of Turkey to establish special relations between them and to demonstrate their commitments to the principles of liberty by promoting the maintenance of peace and democracy in the area of the East Mediterranean.

I might say that the enthusiasm of our Turkish colleagues was further demonstrated when they proposed that they should visit the European Parliament during a part-session. As a result the visit was arranged and we were able to welcome them to our last part-session in Strasbourg. Members may recall that the whole Turkish delegation was able to watch a sitting of Parliament from the gallery. The Bureau of the Joint Committee also had a very interesting exchange of views with you, Mr President, during their visit. Individual Turkish members were invited to attend meetings of the political groups, and the whole delegation met Sir Christopher Soames, the Commissioner responsible for relations with Turkey.

On the occasion of this visit a round table discussion was held, attended by the Joint Committee and by members of the Political Affairs Committee, the Committee on Social Affairs and Employment and the Committee on External Economic Relations, together with a representative of the Commission. At this meeting the

Turkish delegates presented three statements, covering respectively the political, economic and social aspects of the Association, in which they stressed the main points that they had put forward to us in Berlin. The discussion gave them the opportunity to put their views to a wider range of Members of the European Parliament, all of whom were concerned with these problems, and I think that this was a most useful exercise for all concerned. The statements made by the Turkish representatives will be published as a working document so that all Members of Parliament will be able to discuss them.

I think there is little doubt that the Turkish delegation found their visit to Strasbourg very worthwhile. They welcomed the opportunity to make further contact and I think the success of the visit augurs well for our next meeting in Ankara or in Istanbul or elsewhere in Turkey, probably in October.

Mr President, that is really all I want to say in introducing this report, which I hope will gain the approval of the House.

(Applause)

President. — I call Mr Klepsch to speak on behalf of the Christian-Democratic Group.

Mr Klepsch. — Mr President, honourable Members, I should first like to express my warm thanks to the rapporteur, Lord Lothian, for his excellent and instructive report and in particular for including in it details of the latest meeting with our Turkish friends. We believe that Lord Lothian's report represents the worthy continuation of the excellent reports drawn up by Lord Chelwood.

I should like to say something on a number of points which I feel should be particularly stressed. Firstly, there is the question of intensifying parliamentary contacts. After the last elections in Turkey we all of course wondered whether the Turkish parties, particularly the National Reliance Party, would adopt a somewhat different position towards the European Community following the excitement of the election campaign. We are glad to note that the representatives of all the Turkish parties, which were also represented in the Turkish delegation in Berlin, are determined to continue the policy of Association, all really with the same goal in mind, namely the closest possible cooperation with Europe and the European institutions with the objective of developing the Association to full membership within the proposed period.

We agreed with this and—as Lord Lothian has just reported—were happy to see that the

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contact recently made with the Turkish delegation in Strasbourg contributed considerably to strengthening relations. It is particularly gratifying—I shall be speaking about this in a moment—that the Committee on Social Affairs and Employment of our Parliament has gone into the question of migrant workers, and specifically Turkish migrant workers, and their problems, thus demonstrating that this has not remained just a subject for the Committee on External Economic Relations and the Joint Committee. As regards the political objectives, Lord Lothian has referred to the extraordinary interest of all our Turkish friends in closer political contacts and better consultation between the European Community and Turkey. We are all aware that the problems connected with peace and security in the world, that all major problems in the world in fact, necessitate intensified political consultations. We should, however, like to keep within the limits imposed by the recommendation for the time being.

As regards achieving full membership, the second decade of the action programme, which is to introduce intensified efforts in this direction, is of particular interest. I should like to say at this point, however, that it would seem to us to be essential for a report on the success so far achieved, efforts hitherto made and the exhaustion of investment possibilities for the development of the economy in Turkey, and specifically its industry, to be submitted by the Association Council in Ankara. We have not as yet been able to determine whether possibilities have been used as fully as we would like to see, so that the real objectives of Association can be achieved.

We therefore need a review of the public and private investments that have been made, for example, to promote projects to expand Turkish industry, since the really central problem is to keep pace with the rapid increase in population in Turkey by creating jobs. To some extent this has been offset by the increasing flow of Turkish workers to the countries of the Community. The question is, however, whether jobs will continue to become vacant in the Community in the same numbers in future. We therefore all feel that it would be extremely appropriate to pay particular attention to, above all, continued economic growth in Turkey.

We are all concerned about the questions raised by Lord Lothian on trade between Turkey and the Community. We hope—since it does seem as if the Council of Ministers has now agreed on a mandate in connection with the Mediterranean policy—that some of the problems that have hitherto prevented Turkey from being granted generalized preferences can now be solved. This House and the EEC-Turkey Joint Parliamentary

Committee have long expressed the desire for an end to be put to the everlasting discussions on the problem of the decreasing value of preferences by granting Turkey generalized preferences. I should like to place particular emphasis on this request, and I also hope that the new determination of the Council to do what has not yet been done will be successful in this field.

With regard to the question of Turkish workers in the Community, probably the most important subject of discussion in Berlin and Strasbourg, our Turkish friends concentrated on two points: firstly, obtaining special status for Turkish workers as compared to workers from third countries; in other words if fewer jobs were available, as the resolution says, Turkish workers would be less affected than workers from third countries. This of course creates quite a number of problems, and the fact that the wording has been carefully chosen is to be welcomed. Nevertheless, I should stress that the Committee on Social Affairs and Employment has lent a great deal of support to having the Turks' wishes largely accepted.

Of course, a second group must also be considered. These are the Turkish workers who have entered the various countries of the Community illegally. In this respect, too, the tendency in the Turkish delegation was to seek a special ruling which would legalize the position of such workers. However, you will not find this in what we jointly adopted because we feel that it is not only for us to see to it that this illegal flow of workers is stopped, since it creates numerous problems both for the economic structure of Turkey and for the Community. And just as I wish to stress what is said in the opinion of the Committee on Social Affairs and Employment on strict control measures and penalties for agencies, I must also underline what we have already said in committee, namely that we must also ask the Turkish authorities to make very sure that there is no drain of qualified workers into the Community, who will then not be able to work on development projects in Turkey.

The proposals submitted by the Joint Committee and the Committee on Social Affairs and Employment for the improvement of the position of Turkish workers in the Community and their families have our full support. We also feel that the objectives set out in the motion for a resolution should be adopted, particularly as far as the harmonization of social security conditions is concerned. But it must be realized that the environmental conditions facing the families of Turkish workers in the Member States require of us maximum willingness to find special solu-

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tions, as regards both education and social measures.

Honourable Members, we feel that this report again reflects the mutual understanding between our Turkish friends and the representatives of the European Parliament. We hope that the meeting in Ankara will bring more information to light on areas which we have not as yet been able to examine and discuss in detail.

On behalf of my group I should like to express my approval of Lord Lothian's report and in particular the motion for a resolution it contains. *(Applause)*

President. — I call Mrs Caretoni Romagnoli to speak on behalf of the Communist and Allies Group.

Mrs Caretoni Romagnoli. — *(I)* Mr President, ladies and gentlemen, both the subject of Lord Lothian's excellent report and all the discussions which we have had with our Turkish friends and at committee meetings which have dealt with this problem, refer principally—as the rapporteur correctly pointed out—to the problem of the new impulse which must be given to the Association at the start of the second decade of the existence of an agreement whose final objective—as is well known—is full Turkish membership of the EEC.

It is quite understandable in our view that our Turkish colleagues should be emphasizing this subject, particularly in view of the internal political situation in that country. It is obvious that all of us favour, under certain conditions and given certain guarantees, the extension of the EEC. It is thus in our interests to pay particular attention to the possibility of extending southwards the Community's sphere of activity, because the recent enlargement has undoubtedly shifted the European balance towards the north. Moreover, the problem is of fundamental importance because it involves the democratic conditions of life and of development in the Mediterranean countries. Indeed, we have all followed the events in Portugal very attentively, because they have given us cause for the optimistic hope that our Community may soon extend to that part of the world. We should, however, be very frank in saying that a great deal more will have to be done on both sides before the objectives laid down in the Association Treaty between the Community and Turkey can be achieved. We would be mistaken to allow our enthusiasm to run away with us, as our Turkish colleagues sometimes do. There remain very serious and very complex problems for which the countries of the Community have extremely great responsibilities.

The first problem, which, as Mr Klepsch has just recalled, formed the dominant subject of our discussions, is that of Turkish migrant workers. Our Turkish colleagues are deeply concerned about this and, I believe, quite rightly so. I think that perhaps nobody can understand our Turkish colleagues' concern and unhappiness as fully as the Italian Members of this House. In our view (or at least in the view of our group) there can be no doubt of the need to move on from the phase of bilateral agreements and arrive at a joint arrangement. As this debate—as well as the opinion of the Committee on Social Affairs and Employment, which I only saw for the first time just a few minutes ago—has shown, there is no doubt that the Community is going to have to get a move on. Of course, the discussion goes further; it deals with the general approach to be taken in tackling the problem of migrant workers, and with the necessity, in which we firmly believe, of avoiding discrimination against any migrant worker who contributes to the economy of the Community. Moreover, the problem of the migrants' living and working conditions raises above all the question of the civil and political education of this segment of the European people, as Europeans, and thus the question of their civil and political rights. This is a Community obligation, particularly urgent in the Turkish case, even if it must be added that these rights are also a problem in the country of origin; whatever else the Turkish state does or does not do, we cannot ignore the significance of the fact that not a single one of the 600 000 Turkish workers in the Community—and our colleagues themselves admit as much—returned to vote in the Turkish elections.

This implies that, in this overall picture, not enough is being contributed by the country of origin. We must indeed ensure—for the reasons noted by Mr Klepsch—that the illegal immigration of workers and the presence of illegal employment agencies for these workers are suppressed. Otherwise the other commitments—joint social security arrangements, vocational training and the associated problems affecting families and schooling—will become still more complex and difficult. The Committee on Social Affairs and Employment and the Joint Parliamentary Committee have come to realize (and those Members who were in Berlin found this out at first hand) that Turkish emigration is going through a very critical stage at a time when the Community's economy is also experiencing considerable difficulties. Our Turkish colleagues are thus emphasizing their need to export labour; but it does not seem to me—and here I am expressing a personal doubt—that they are aware of the fact that every country (and every country together with the others)

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should in fact be working for a future where the forced export of labour is no longer necessary. This is our common objective. I may be wrong, but I have the impression that our Turkish colleagues are still somewhat behind the times in clinging to the belief that it is necessary and imperative that these workers should emigrate; they do not seem to have recognized the need for drawing up and defining in their own country—even on a long-term basis—the sort of policy which we could not fail to welcome.

Mr Girardin recently pointed out, very appropriately, that the forced export of labour will one day probably be regarded in the same way as slavery used to be. The same applies to the Turkish effort to train workers for emigration, at a time when skilled labour is vital to Turkish development and without which that country will not be able to achieve the full EEC membership that it hopes for.

We believe that the logical connection between these subjects should be borne in mind if we are to make a correct analysis and if we wish, moreover, to establish medium-term goals.

Now, it seems as if this connection, just as it sometimes seems to escape the awareness of our Turkish colleagues, is also all too often ignored by the countries which import labour when they are considering the cost of labour and the cost of the technical training of workers. Mr President, it is my belief that the European Parliament, in the proper spirit, should—in view of the difficult problems Turkish emigration is facing—pay particular attention to the conditions affecting families and, in particular, the 250 000 children of Turkish immigrants, some half of whom are of school age, who are, because of their origin and their language, in fact condemned to what amounts to total isolation in the EEC countries. Very little has been done in this field and what little has been done has failed to yield positive results. We shall clearly have to make great efforts not only to solve the major problems which stand in the way of the implementation of the steps provided for in the Treaty, but also to overcome and reconcile Community and Turkish interests which may appear contradictory.

I should like to conclude by referring to a point which Mr Fellermaier, in my opinion very correctly, raised during our meeting in Strasbourg. On that occasion he called on our Turkish colleagues to grant an amnesty and free all political prisoners and thus respect freedom of opinion in their country.

Although there may be differing reports on this subject, in general they are anything but

reassuring. In saying this I do not think we should be interfering in the internal affairs of Turkey; it is simply a question of respecting a joint obligation which our Turkish colleagues and, in particular, this new delegation has declared itself in favour of. It would not be inappropriate to recall that links with the Community and, later on, the progressive stages in achieving membership, depend above all on the democratic guarantees which the countries concerned are able to give.

(Applause from the extreme left)

President. — I call Mr Broeksz to speak on behalf of the Socialist Group.

Mr Broeksz. — *(NL)* Mr President, I should first like to congratulate the rapporteur on his report and to say that we agree with what the last two speakers have said, particularly with regard to the question which we discussed in such detail last time, namely migrant workers. There is no need for me to add anything to this. But when the President of Parliament welcomed Turkish parliamentarians of all parties during the last part-session, we socialists remained silent on a matter which we have very much at heart. We did then issue a press statement in which we expressed our concern about the matter.

However, now that the second phase of the Association is beginning and we are very well aware that this Association is, in the long-term, to lead to full membership of the Community, I should like to point out that it is not only the Council which is making the extension of the Association difficult; the Turks themselves are also creating difficulties.

We greatly admire the Turkish government, which has tabled a bill on the granting of an amnesty to political prisoners. But we deplore the fact that the Turkish Parliament rejected this proposal by a majority. This means that the Turkish political prisoners have still not been released. We particularly welcome the fact that political prisoners have now been released in Portugal a country where no elections have as yet taken place. But in Turkey, where happily truly democratic elections have been held, Parliament has unfortunately rejected the government's bill. I repeat that we deplore this, and I feel that the Turkish Parliament should be aware that closer links with the EEC presuppose a change in the Turkish attitude towards political freedom and human rights in Turkey. When steps are taken to extend the Association, steps towards full membership, account must be taken of what is clearly stated in the preamble of the EEC Treaty on the subject of peace and

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freedom of the peoples, and we should all hope for more peace and freedom in that part of the world. We will willingly work with others to achieve that peace and freedom.

I should also like to underline what the rapporteur has said, but I must add that action is not only required of the Community—Council, Commission or Parliament—but that changes are also needed in Turkey itself, changes in the views of the majority of the Turkish Parliament. Until that happens, I feel we can but urge the Council to be rather careful as regards increasing the Association possibilities.

(Applause)

President. — I call Mr Cheysson.

Mr Cheysson, member of the Commission of the European Communities. — (F) Mr President, the Assembly is considering today the report drawn up by the Committee on External Economic Relations on the recommendations of the EEC-Turkey Joint Parliamentary Committee. I know that my colleague, Sir Christopher Soames, who is directly responsible for relations with Turkey, would himself have liked to be able to congratulate the rapporteur, Lord Lothian, on his remarkable work. You are asked to approve the parliamentary committee's four recommendations and the Commission will endorse this proposal since it considers these recommendations excellent.

I shall begin, if I may, with the recommendation which aroused the most feeling, dealing as it does with human problems, namely the second recommendation concerning the 700 000 Turkish workers employed in the Member States. This question, which has been raised by several speakers, is of considerable importance: it concerns 700 000 men; it concerns an important element in the European economy and it concerns an element whose fate is linked to the prosperity of our economy. I have, in this connection, good news to report to the Assembly: on 10 June the Council of Social Affairs Ministers adopted proposals to be submitted to the Association Council. These recommendations can, I hope, deal in an almost entirely satisfactory manner with the social security problems of Turkish workers and their families who are residing in the Community. I say 'almost entirely satisfactory' because a few small difficulties remain: for example periods of work done by workers within the Community are not yet in every case added to time worked in Turkey for the purposes of calculating rights—and here I reply to a point made by Lord Lothian. But, on the whole, the provisions adopted represent very substantial progress,

and we should be very glad that the Council of Social Affairs Ministers has approved them.

Undeniably, there are other problems to be dealt with in this social area; they are very rightly analyzed by the rapporteur in the explanatory statement and in the motion for a resolution. Some of these problems, as you know, are being discussed by the Commission, though they are not specifically confined to Turkish workers.

My colleague, Mr Hillery for instance, is at present preparing a programme relating to the living conditions, reception and schooling of migrant workers' families throughout the Community. And this programme will apply to all migrant workers. This is a subject of great interest, which can only be appropriately dealt with at European level and which would seem to demand a certain priority. I believe that Mr Hillery will shortly be reporting to the Assembly on the programme he is preparing, which seems to me an interesting line of development and one which would go a long way towards meeting one of the requirements very rightly submitted by the Association's Joint Parliamentary Committee.

Turning to trade considerations, I would first like to recognize one or two undeniable facts. There is no question that preferences granted to countries associated with the Community are being eroded. This is true not only for Turkey but for all the countries that have concluded Association agreements with the EEC and have thus enjoyed preferential treatment in the past. Obviously the consequence of the liberalization policy systematically and courageously followed by the Community is to reduce the relative preferences granted to certain countries, but this policy of world-wide liberalization, this particularly audacious policy in favour of the countries of the Third World is one of the Community's fundamental policies. This Parliament has supported it over and over again; we have no intention of modifying it; it is a fact that the Community is slightly reducing the relative preference granted to countries which, have enjoyed special preferential treatment. Nonetheless—and this is especially true in the case of Turkey—trade with preferentially treated countries is continuing to develop and to develop quickly. Turkish exports to the Community increased by 51% during 1972-1973. Imports, by the way, also increased. In the first quarter of 1974 Turkish exports were up by 60% compared with the first quarter of 1973, imports increasing slightly less in proportion but still quite considerably.

In other words, our trade with Turkey is developing very fast. This is one very important

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result achieved by the Association. The fact remains—as the rapporteur so rightly pointed out—that the trade gap between the Community and Turkey, to the latter's disadvantage, is a serious matter. But it has nothing to do, as I see it, with any particular Community policy. It has much more to do with Turkey's economic structure and with the necessity for a bold development of the Turkish economy, as is so well brought out in the motion for a resolution submitted to the Assembly.

Nevertheless, efforts must be made to reduce this trade deficit—to attempt to eliminate it would be illusory until the Turkish economy has made much more progress.

Will it be able to do so if the Turkish government's request to be placed on the list of countries included in the system of generalized preferences is accepted? This request is legitimate and fair, and, as you know, the Commission would like to have seen it approved. The Council decided otherwise. But I should like to stress that approval or non-approval of this request is another problem altogether: Turkey enjoys the same facilities, the same preferences it would have had if it figured among the countries covered by the system of generalized preferences. So extending these preferences to Turkey would not improve our trade with that country; as far as trade is concerned, Turkey already has every imaginable advantage.

As regards agriculture, paragraph 3 of the rapporteur's motion for a resolution stresses that the new concessions which came into force on 1 January 1974 will make an impact, and that is our opinion, too. It also mentions that we have periodic meetings with Turkey to consider the development of our trade; at the beginning of 1975, for instance, we will be discussing whether further concessions are appropriate in the light, as Mr Klepsch in particular very rightly pointed out a little while ago, of the policy pursued towards other Mediterranean countries.

And here, Mr President, I am pleased to be able to inform the Assembly that, rather surprisingly after so many months, so many meetings during which nothing was accomplished, the Council of Foreign Ministers, which met yesterday, made very substantial progress towards the definition of a negotiating mandate in relation to Mediterranean countries with whom we are presently having discussions—this is really a euphemism since we have not had any discussions for eight months. No mandate has yet been approved; difficulties remain, but at the Council meeting yesterday all the governments, in particular those which have real sacrifices to make, displayed a will to successfully resolve the issue, a will which I am

delighted to be able to report to Parliament as the very first recipient of the news, since the meeting ended rather late yesterday evening.

When we know, therefore, how our relations with the other Mediterranean countries are developing, we shall be able to see what concessions may need to be made regarding Turkish agricultural products, but I can say right now that there is not much that still needs to be done in view of the fact that the vast majority of Turkish agricultural exports already enjoy favourable terms. The report stresses also that the Supplementary Protocol on the enlargement of the Community, with all the implications it has for Turkey, must be signed very soon by the Member States. Might I be allowed at this point to urge all Members now present to press their national governments to ratify this protocol; in any event, an interim agreement, which came into force on 1 January 1974, already provides for the trade advantages, but only the trade advantages, which will be conferred by the Supplementary Protocol when it is ratified.

In short, we can expect a slight improvement in the trade situation between the Community and Turkey. I have already reported to Parliament on the brilliant results achieved in the first quarter of 1974, which are indicative of a quite remarkable growth. Paragraph 9 of the motion for a resolution covers Turkey's Third Development Plan and the Community's efforts to promote that plan. On the Financial Protocol in force since 1973 it gives very precise information which I do not think I need to go into here for it is very complete. I would only mention that 88 million units of account have already been granted by way of special loans and that a further 90 million units of account will be granted very shortly, in particular 77 million for geothermal energy stations, which is a very considerable sum. We hope that this point will form the subject of an agreement and will be signed in the next few weeks.

So there we have the economic situation. As you can see, trade relations could be improved, but there is steady growth in our trade, and the Community is playing an important part in Turkey's economic development.

The fourth recommendation adopted in Berlin lays stress on the regular consultations which must be held on major international political problems of common interest. Paragraph 13 of the motion for a resolution takes up this idea and the rapporteur declares that Turkey should be associated in the political consultations between Member States where it is concerned by the questions under discussion. This is precisely the Commission's view. I would point out that it concerns the Member States working

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within the framework of that strange structure known as political cooperation more closely than the Community itself. Nonetheless, the Commission is anxious to take a very active part in these exchanges of view: may I just remind you that the President of the Commission, Mr Ortoli, was in Turkey in April; only yesterday, in Brussels, he received the Prime Minister of Turkey, Mr Ecevit; in addition, four members of the Commission went to Turkey in 1973, and had talks which were not confined to technical matters but covered all the political questions of interest to both sides. We thus have contacts and cooperation which go beyond the technical terms concluded in the Association Agreement. The rapporteur says there is great boldness and great ambition in the proposals made. He is delighted that this is so. So is the Commission, Mr President.

Certainly we feel that some changes still need to be made in the operation of the Agreement, even perhaps on certain points relating to Turkey's internal affairs, to which Mr Broekszy has just referred. But relations are good. The recent Turkish parliamentary visit mentioned by Lord Lothian and Mr Klepsch demonstrates that between us and the Turks there is more than just a simple technical agreement, that there are already the beginnings of an intimate association, already the hope of an extension to the south which Mrs Carretoni Romagnoli so rightly evoked.

For all these reasons, Mr President, the Commission warmly endorses the excellent report and the motion for a resolution submitted to you, which it hopes the Assembly will adopt.

President. — Thank you, Mr Cheysson.

I call Mr Broekszy to give an explanation of vote.

Mr Broekszy. — (NL) Mr President, in connection with what I said just now in this debate, I should like to comment on paragraph 4 of the motion for a resolution. I do not want to go into the fact that the motion for a resolution urges the Council to reconsider its position, as a result of which Turkey has not been placed on UNCTAD's B list and has therefore not been granted generalized preferences, but I should like to take this opportunity to make it clear that we have every sympathy for the forces within the Council which are hesitant as regards closer cooperation in the Association with Turkey.

Mr President, I do not want to make an issue of this, but I shall be abstaining in the vote on paragraph 4 to give expression to my hope that what the Turkish government has proposed

in a bill, namely the granting of an amnesty to political prisoners, will in fact be accepted by the Turkish Parliament.

President. — Mr Broekszy, I would point out that if you intend abstaining in respect of one of the paragraphs of the motion for a resolution, we are compelled to vote paragraph by paragraph. I put the preamble and paragraphs 1, 2, and 3 to the vote.

The preamble and paragraphs 1, 2 and 3 are adopted.

I put paragraph 4 to the vote.

Paragraph 4 is adopted.

I put paragraphs 5 to 15 to the vote.

Paragraphs 5 to 15 are adopted.

I put the motion for a resolution as a whole to the vote.

The resolution is adopted.¹

12. Directive on the disposal of waste oils

President. — The next item is the report drawn up by Mr Jahn on behalf of the Committee on Public Health and the Environment on the proposal from the Commission of the European Communities to the Council for a directive on the disposal of waste oils (Doc. 132/74).

I call Mr Jahn, who has asked to present his report.

Mr Jahn, rapporteur. — (D) Mr President, ladies and gentlemen, on behalf of the Committee on Public Health and the Environment I should briefly like to explain the Commission's proposal for a directive on the disposal of waste oils.

In paragraphe 1 of the motion for a resolution we welcome the proposed directive as a further step towards a Community environmental policy, forming part of the broader field of waste disposal.

I would remind the House that the problem of the disposal of waste oils in the Community was raised by Mr Oele in a written question as long ago as 1971, and that we discussed the question at that time. A short time later I again took up the subject. Following the submission of draft legislation relating, among other things, to the disposal of waste oils to the Commission by the French government in September 1973 and the Dutch government a little later, the

¹ OJ No C 85 of 18. 7. 1974.

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Commission was obliged to put forward an appropriate proposal for a directive within six months.

I should like to say a brief word on the legal basis. We are in complete agreement with the Commission's decision to take Article 100 of the EEC Treaty as the basis for its proposed directive. The legislation and administrative acts of the various Member States on the treatment, discharge, storage and collection of waste oils vary considerably, with the result that the movement of goods within the Community is obstructed, which has a direct effect on the functioning of the Common Market. In particular, these differences may result in varying burdens on Member States, branches of the economy or enterprises within the Community. In this connection, I should like to point out that in paragraph 2 of the motion for a resolution we reaffirm the previous positive opinions delivered by the European Parliament on the expediency of basing Community environmental measures on Article 100 of the EEC Treaty as often as possible.

In its Explanatory Memorandum to this proposal for a directive the Commission rightly points out that a solution is urgently needed to the problem of the disposal of waste oils. In some Member States, 20 % to 60 % of all waste oils are disposed of without any control. According to information provided by the Commission, an average of only 50 % of waste oil in the Community is regenerated and therefore recycled. The other 50 %, i. e. about 1 million tons of waste oil a year, disappears into the ground and is thus lost as a raw material in the form of energy or lubricants, and what disappears into the ground is a direct danger to all drinking water. Experts have calculated that 1 litre of oil can pollute up to 100 000 hectolitres of ground water. Common rules are therefore needed for the whole territory of the EEC. We all know that the quantities of waste oil are constantly increasing. This applies in particular to emulsions, most of which are disposed of without control, in other words large numbers of car owners drain them directly into the sewers or the ground. This is true, I believe, of all nations.

Experts estimate that pollution of ground water resulting from the uncontrolled disposal of waste oils accounts for approximately 20 % of all pollution of industrial origin. I feel that this figure gives us much food for thought. It is therefore logical for the Commission to give as one of the principal objectives of the proposal the creation of effective protection of water, air and land against the harmful effects of the discharge, storage and treatment of waste oils.

In addition, the directive will ban the destruction of waste oils and thus make it obligatory to regenerate them.

Needless to say, Mr President, ladies and gentlemen, we unreservedly agree with these objectives.

I will now, if I may, briefly go into some of the amendments we have proposed.

We feel that it should be made clear that combustion does not mean destruction but the utilization of the heat that waste oil can produce. For clarity's sake we have therefore amended Article 2 to read that the disposal of waste oils shall be carried out exclusively—I repeat, exclusively—by recycling, i. e. regeneration or combustion.

The technology of waste oil disposal is broken down, as we today know from the experts, into two major sectors, recycling and disposal proper, i. e. destruction. In the case of recycling there are again two possibilities, the utilization of the energy contained in the waste oil as a fuel and its regeneration to allow it to be reused as lubricating oil; this is known as reprocessing. Waste oils can be used as fuels, and thus substituted for other fuels, e. g. light heating oil, heavy fuel oil or even gas, in firing processes in which in any case the flue gases have to be effectively cleaned so that any impurities in the waste oil will not cause additional air pollution. Slightly impure waste oil would therefore appear to be particularly suitable for use as a substitute primer fuel in refuse combustion units, sewage furnaces and facilities in which special industrial wastes are destroyed.

As regards industrial and boiler furnaces it would seem that other fuels can be replaced by waste oil only if it is possible to install supplementary, special waste oil burners in the furnaces. In the cement industry and asphalt blending facilities waste oil can take the place of high-grade fuels where the finished product absorbs any impurities from the fuel.

Mr President, honourable Members, before waste oils can be used as a fuel in specially constructed stationary diesel engines for generating electricity and heat, a Munich undertaking reports that special arrangements have to be made for their purification and for the maintenance of the engines. This can therefore hardly be regarded as recycling in the normal sense of the term.

Reusing waste oils as lubricating oils by reprocessing them can be achieved by upgrading or re-refining. Upgraded waste oil can be used as a fuel or as flux oil in the preparation of

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asphalt or heavy fuel oil and also for lubricating processes of an inferior nature. The re-use of a used lubricating oil and its return into the original lubricating cycle does, however, require it to be upgraded to a greater extent, a practice frequently adopted by large industrial undertakings on their own account to increase the life of a lubricating oil fill.

Probably the most stringent type of reprocessing to which a waste oil can be subjected is re-refining, in which the base oil of the original lubricating oil is recovered and then used as a base oil for lubricants based on re-refinates.

Final disposal, and this is undoubtedly the last method in this sector, i.e. the destruction of waste oil, can be achieved by microbial degradation, using the oil in agriculture to improve soil or in specially installed household refuse dumps. The rate of degradation does, however, largely depend on climatic conditions.

Ladies and gentlemen, as waste oils represent a valuable source of energy, they should not normally be destroyed by combustion until the thermal energy they contain has been used. Sometimes it is, however, necessary to burn waste oils, particularly when they have been impurefied by other materials. I mention this point specifically because the public often gosses over such things, particularly when the recovery of additional energy is concerned, a subject which we have so often discussed in this House of late. Using a million tons of waste oil to produce energy would, however, seem to be a very attractive process.

The provisions of Article 3 appear to be somewhat vague since they ban any processing of waste oils causing air pollution which exceeds the minimum compatible with the state of the art. In paragraph 4 of the motion for a resolution we have therefore called on the Commission to formulate this prohibition in clearer terms to avoid variations in interpretation by the Member States of the criterion of 'the minimum compatible with the state of the art'.

Article 5 provides for one or more undertakings to collect and/or dispose of waste oils offered to them in cases where such operations are not profitable. The Commission has tried here to find a solution which meets as far as possible the economic requirements. We support this effort.

We understand that not all the Member States at present have controls over waste oil disposal undertakings and therefore request the Commission in paragraph 5 of the motion for a resolution to amplify its proposal for a directive by requiring all Member States to arrange for the supervision of these undertakings.

In the case of Article 6 we have called for the addition of a paragraph which states that firms which have been granted permits shall be inspected not later than every six months as regards their compliance with the conditions of their authorization.

I should like to say something about Article 8, which we have not amended, but, which nevertheless seems in need of amendment. It requires the holders of waste oils 'containing impurities, which are in excess of a certain percentage fixed by the competent authorities according to the category and volume of the product' to stock them separately. Our complaint is that the fixing of the content of impurities is left to the competent authorities, because this might lead to variances in the application of the directive by the Member States. In paragraph 6 of the motion for a resolution we therefore insist that the Commission give a standard definition of the maximum permissible impurity content of waste oils.

Under Article 9 firms collecting and/or disposing of waste oils must treat them in such a way that there will be no avoidable risk to the environment—water, air and soil. Here again we fear that there will be differences in interpretation as a result of the overly vague term 'avoidable risk'.

We therefore call for a positive wording for this provision, our amendment being as follows: 'The firms which collect and/or dispose of waste oils must do so in such a way that effective protection of the environment (water, air or soil) is ensured in accordance with the latest scientific and technological information.'

This wording also seems to us more flexible and will allow the provision to be constantly adapted to the latest developments.

In connection with Article 13 it was suggested in committee that the Member States should restrict themselves to subsidizing the collection, that is the transport of waste oils, since the distances over which the oils would have to be transported vary from region to region. We felt, however, that small consumers of oils should perhaps be given a financial incentive by paying them compensation if they deliver waste oils to the disposal point. We therefore ask the Commission to take particular account of this.

Article 15 requires the Members States to convey 'regularly' to the Commission information concerning their technical expertise and the results deriving from the application of the directive. In principle we agree to this requirement, but insist that the information be provided on an annual basis. It will undoubtedly be far easier to prepare the summary of all

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information if the latter is sent to the Commission at the same time so that we then receive an annual report.

Finally, I should like to say a few brief words on the opinions of the Legal Affairs Committee and the Committee on Economic and Monetary Affairs. Both opinions were delivered in the form of letters, which are attached to the report. I should like to thank both committees for their cooperation and note with satisfaction that we all completely agree on this matter. The Legal Affairs Committee points in particular to the choice of Article 100 as the legal basis for this directive.

The Committee on Economic and Monetary Affairs likewise approves the directive proposed by the Commission, welcoming its initiative in encouraging the elimination of technical obstacles to trade in the Common Market. It repeats its appeal to the Commission to consider without delay how technical obstacles to trade in the Community can be speedily eliminated by means of an overall regulation.

Honourable Members, I wish to close by saying that our committee unanimously adopted the motion for a resolution and explanatory statement at its meeting of 7 June.

I therefore recommend that the House also adopt our motion for a resolution.

(Applause)

President. — I call Mr James Hill to speak on behalf of the European Conservative Group.

Mr James Hill. — Mr President, I rise today simply because I think this is a most important directive. In fact, it is perhaps one of the first projects relating to the reduction of pollution and nuisances as envisaged in Section I of the Community's environmental programme.

The purpose of the directive is once again to harmonize the legislation of Member States relating in this case to the disposal of waste oils. It requires Member States to take all measures necessary to prevent pollution of air, water or land by waste oils. It proposes that there should be specialist firms to collect or dispose of waste oil. These specialist firms should be subject to official authorization, and the directive provides for a subsidy of a non-fiscal nature for firms which are required to collect or dispose of waste oils on an uneconomic basis.

The British Government has already introduced a bill on the control of pollution, which includes powers to enact regulations to control particular categories of waste including, if necessary, waste oils. Pollution of water, air and the land

by waste oils is therefore already controlled in the United Kingdom by existing legislation but it is not the British Government's intention at the moment to take powers to pay subsidies to firms which collect or dispose of waste oils, and the directive makes it quite obvious that such subsidies will anyway be payable at the discretion of the Member States.

It certainly is a terrifying story that at the moment something like 2 million tons of waste oil is disposed of each year, while recycling could save about 50% or 1 million tons. A more terrifying percentage is perhaps that this waste oil causes something like 20% of all pollution.

Where I perhaps differ from the rapporteur is that the subsidy should be on the collection only of waste oil. He rather assumes, and I am sure he has facts and figures to substantiate this, that the recycling of waste oil produces a considerable profit. I wonder whether that is always so. Naturally in a commercial industrial complex it may well be, but it may well be in some of the outlying areas of the Community, where the pollution perhaps is of a minor nature, that the collection and recycling of a small amount of oil does not produce a considerable profit but a considerable loss.

The point that I have raised is really a constituency point because though in Article 3 it says quite firmly the discharge of waste oils into internal surface waters, underground water, coastal waters and canals, it does not specifically mention one of the most dangerous forms of pollution, namely that caused by the cleansing of the tanks of giant tankers. In the United Kingdom we do try and encourage these super tankers to cleanse their tanks in port, with the provision that the waste oil is then taken away and is recycled. But it does not say too clearly in Article 3 that this will apply to ships of all kinds, though it specifically mentions coastal waters. So I would like clarification perhaps either from the rapporteur or from the Commission that Article 3 does indeed bring the subsidy in this directive within the ambit of those that cleanse the tanks of tankers and then recycle the oil.

With regard to Article 6, which I think is well intentioned, if I could just make a comment on the English translation: the text proposed by the Commission refers on the last line to the existing level of the state of the art. I think it should really refer to the existing level of the technical skills of the recycling processes I am sure that 'the state of the art' is right in some contexts but certainly not when one is recycling waste oil.

As regards the amendment tabled by the committee, I think they have the best intentions

James Hill

in wanting to stop those firms who may try to evade their responsibilities when they are issued with this permit, but I do feel it will be placing a tremendous burden on the licencing authorities to expect them to inspect places of work and processes every six months.

I think Article 6, and therefore Article 12, place too much emphasis on the bureaucratic side, and I would suggest that perhaps one year is the right period. A licence for one year in what is after all a rather involved process, would take the strain off those officials who will have to supervise this.

In Article 17 the committee proposes that the measures needed should be put into force within one year of the notification of the directive. I see the Commission wanted 18 months. I think these periods are not too realistic. After all, we have been told that three Member States have no provision at all and certainly have therefore no legislation at all: Belgium, Ireland and Luxembourg. So they will have to start from scratch as soon as this directive gets the force of law. So I would think 2 years would be appropriate, certainly for those Member States who have no legislation or indeed procedure already available. Having said these few words, I hope that I can have some clarification on the cleansing of tankers' tanks and perhaps some consideration on the various minor amendments I have tabled.

President. — I call Mr Scarascia Mugnozza.

Mr Scarascia Mugnozza, Vice-President of the Commission of the European Communities. — (I) Mr President, honourable Members, I would first like to thank Mr Jahn for his report, precise and detailed as always, and secondly the parliamentary committee for its excellent work.

I have, in fact, very little to add to what Mr Jahn has said. Generally speaking I am satisfied with the amendments and suggestions made by the committee and I am prepared, in the main, to accept them. I have just a few remarks to make.

In the first place, as regards paragraph 6 of the motion for a resolution, which refers to fixing in a uniform manner the maximum percentages of impurities which may be contained in waste oil, pursuant to Article 8 of the proposed directive, I must say that we are experiencing some difficulty in getting this job done as quickly as we would like, because at present several countries do not have the same standards and we are thus obliged to begin with a harmonization of the system, something which cannot be done all that quickly.

As regards the points made by Mr Hill, may I say that Article 3 does not include the high seas, which were not considered in this directive. In fact, in using the term 'waste oils', we intended to refer above all to oils used on dry land which, if transported by sea, could at most be of concern in coastal waters but certainly not on the high seas. We were thus not able to consider as waste oils oil which originates from the cleaning of tankers.

As regards Article 6, it is based on an evolutionary principle, so to speak, in the sense that we must of course take account of what is at present technically feasible, but at the same time we ought not to lose sight of the fact technology is continually progressing and that in due course we shall have to apply more advanced techniques to this problem.

These are the points I wanted to make. I should like to conclude by saying that we consider it extremely important that this document be approved today, in view of the great significance of the problem of waste oils in the context of protecting the environment and above all water, a subject which was discussed during Parliament's last part-session.

We are well aware that many thousands of tons of waste oil are disposed of on land and water, and this does not make man's existence any easier. We must take account of the fact that even if we were certain that recycled oil possessed the same properties as fresh oil, it may well prove to be commercially difficult to sell recycled oil with the same ease with which we can sell fresh oil, particularly if it were obligatory to label used oil as such. From another point of view it is also essential that we tackle this problem not only from the environmental aspect, that is the protection of nature and of health, but also with a view to conserving raw materials which, particularly in certain sectors, are becoming exhausted. The possibility of utilizing waste oils which are at present being disposed of, representing an enormous waste of energy, money and resources, gives us an opportunity to preserve for longer a resource which will otherwise be lost. Having said that, Mr President, I would like to thank the House once again and express the hope that, subject to the suggestions which have been made and which, as I have said, I have no objections to, the document can be approved.

Allow me to make one further comment. Probably—and this is a reservation I make, but one which I intend to rescind in one of the forthcoming part-sessions of this Parliament, when I make a statement on the action taken by the Commission on opinions of Parliament—certain points brought up by the parliamentary com-

Scarascia Mugnozza

mittee may delay the implementation of the directive and may not be accepted by the Commission; but this would only apply for an initial period, to forestall the possibility the agreement on information expiring and individual Member States, feeling themselves free in the absence of the implementation of the directive in the five months following its presentation, making the situation even worse. I shall in any case get on with a more detailed study of the problem and will return to it during one of Parliament's next part-sessions.

President. — Thank you, Mr Scarascia Mugnozza.

Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted¹.

13. Regulation on the duty-free importation of cultural materials

President. — The next item is the report drawn up by Mr Lange on behalf of the Committee on Economic and Monetary Affairs on the proposal from the Commission of the European Communities to the Council for a regulation on the importation free of Common Customs Tariff duties of educational, scientific and cultural materials (Doc. 72/74).

I call Mr Lange, who has asked to present his report.

Mr Lange, rapporteur. — (D) Mr President, a fortnight ago I asked for the debate on this report to be deferred because of differences of opinion between the Committee on Economic and Monetary Affairs and the Committee on Social Affairs and Youth. These differences of opinion have now been eliminated. The proposals originally submitted by the Committee on Cultural Affairs and Youth have been withdrawn. We can therefore now proceed to the vote on the unamended motion for a resolution tabled by the committee responsible.

That is all I have to say, Mr President.

President. — Does Mr Scarascia Mugnozza have anything to add?

Mr Scarascia Mugnozza, Vice-President of the Commission of the European Communities. — (I) Mr President, I should like to thank the rapporteur, Mr Lange. The Commission hopes that this document will be approved.

President. — Does anyone else wish to speak? I put the motion for a resolution to the vote.

The resolution is adopted¹.

14. Agenda for the next sitting

President. — The next sitting will be held tomorrow, Thursday, 27 June 1974, with the following agenda:

10.00 a.m. and 3 p.m.:

- Question Time;
- Oral Question without debate by Mr Memmel to the Council on relations with Mediterranean countries;
- Oral Question with debate by Mr Brewis to the Council on the Conference on the Law of the Sea;
- Vote on the motion for a resolution contained in the report by Mr Gerlach on the draft estimates for 1975;
- Report by Mr Schmidt on the setting up of a Public Accounts Committee;
- Report by Mr Terrenoire on the carrying forward of appropriations from 1973 to 1974;
- Report by Mr Schwörer on the release of goods for free circulation;
- Report by Mr Pounder on the Council decision concerning the Draft Supplementary Budget No 1 for 1975;
- Report by Mr Giraud on a Community quota for the carriage of goods by road.

The sitting is closed.

(The sitting was closed at 6 p.m.)

¹ OJ No C 85 of 18. 7. 1974.

¹ OJ No C 85 of 18. 7. 1974.

SITTING OF THURSDAY, 27 JUNE 1974

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IN THE CHAIR: MR BERKHOUWER

President

(The sitting was opened at 10.05 a.m.)

President. — The sitting is open.

1. *Tribute*

President. — Ladies and gentlemen, honourable Members, the European Parliament is in mourning. The European institutions are in mourning. A few minutes ago we received brutal, pitiless news.

President

Who would have thought, yesterday evening, that of all those whom we have met in this House, where he was always so diligent, effective and loyal, our friend Francis Vals would pass on?

He has left this House where he always fought for so many noble European causes, inspired by an ideal to which he devoted his whole life and all his energy. He was a Member of the European Parliament from its inception and, since 1967, has been the eminent chairman of the Socialist Group to which he contributed his vast knowledge of political affairs, both European and international, and his sense of humanity, of direct contact with men and events, respecting the one and analysing the others with exceptional political acumen. France loses an idealist, a great sportsman and international figure. Europe loses a servant whose absence will be felt deeply both in his home country and in our Community.

President. — I call Mr Fellermaier.

Mr Fellermaier, vice-chairman of the Socialist Group. — (D) The group deeply mourns the passing of its Chairman.

His decease is too great a shock to properly take in just now. This loss will be felt in the Parliament and in the Administration. Francis Vals, who was Lord Mayor of his native Narbonne for many years, and was a member of the French National Assembly for twenty-three years, as well as chairman of the Socialist Group in this House since 1967, has, as a socialist, devoted all his energies to the furtherance of the European cause from the first day of his becoming a Member of the European Parliament. His socialist convictions told him that national frontiers must be transcended. He showed an inflexible determination wherever human freedoms were suppressed. Thus, when France was brought to its knees by Hitler, he took his place as a true democrat in the ranks of the Resistance. Always a socialist, Francis Vals lived his convictions. The entire group bids him a reverent farewell.

President. — I call Mr Wischnewski.

Mr Wischnewski, President-in-office of the Council of the European Communities. — (D) Mr President, this Parliament has lost an important Member. All committed Europeans have lost a friend. Francis Vals has played a decisive part in this House. Through his work as chairman of the Socialist Group he has helped to give direction to the endeavours of the European Parliament. He has played an important

part as chairman of the Committee on Economic and Monetary Affairs. On behalf of the Council I should like to express my condolences to the entire House, and more particularly to the Socialist Group.

President. — I call Mr Lardinois.

Mr Lardinois, Member of the Commission of the European Communities. — (NL) Mr President, I, too, wish to give expression to our deep sorrow and convey the condolences of the European Commission to the family of Mr Francis Vals, to you, Mr President, to the Parliament and to the Socialist Group, over the loss of this eminent chairman and convinced European.

I personally had the honour to know Francis Vals, both as a Member of this Parliament and in my present capacity. He was one of the few genuine left-wing progressives, yet with deep roots in his beloved southern France. He was outstanding in his attention to details, and he was always concerned for the small man in Europe, who, he believed, had entrusted his interests to him. This meant that he was unequalled in the position he occupied and in all he meant in his own country and in the European Parliament.

Mr President, on behalf of the European Commission let me speak for all in saying that we have lost in him one of the great pioneers for a United Europe.

(The Assembly rose and observed two minutes' silence)

President. — The proceedings will now be suspended for fifteen minutes.

(The sitting was suspended at 10.15 a.m. and resumed at 10.35 a.m.)

President. — The sitting is open.

2. Approval of minutes

President. — The minutes of proceedings of yesterday's sitting have been distributed.

Are there any comments?

The minutes of proceedings are approved.

3. Document received

President. — I have received the following document:

Report by Mr Alfred Bertrand on behalf of the Committee on Social Affairs and Employment

President

on the proposal from the Commission of the European Communities to the Council (Doc. 160/73) for a regulation amending Article 107 of Regulation (EEC) No 574/72 of the Council of 21 March 1972 fixing the procedure for implementing Regulation (EEC) No 1408/71 on the application of social security schemes to employed persons and their families moving within the Community (Doc. 165/74).

4. Question Time

President. — The next item on the agenda is Question Time (Doc. 152/74). We shall begin with Questions to the Council of the European Communities.

I call Oral Question No 1 by Lord Chelwood on the Luxembourg Agreement. It is worded as follows:

Does the Council agree that the Luxembourg Agreement of January 1966 has led and will continue to lead to a deadlock because of the failure to define in advance of discussions whether a particular issue involves the 'very important interests' of one or more Community country, and what proposals they now have to resolve differences of opinion in the Council so that essential work can proceed harmoniously in future?

I call Mr Wischniewski to answer the question.

Mr Wischniewski, President-in-office of the Council of the European Communities. — (D) Mr President, on behalf of the Council I should like to answer Lord Chelwood's oral question as follows: further to the declaration of the Heads of State or Government of Member States at the Paris Summit Conference in 1972, the Council has repeatedly examined possibilities of speeding up its work and improving its decision-making processes. With these ends in view it has already taken a number of measures.

At its meeting of 25 June the Council issued a declaration of intent in respect of speeding up of its working procedures and giving a special role to the Presidency with this end in view.

That, Mr President, is the Council's reply! I can imagine that some of our Members will not find it entirely satisfactory, so please let me add a few observations.

The Council already took decisions on these lines on 23 July 1973, which are known to this House; it also took decisions on 4 February 1974 and especially on 4 June 1974. On 4 June three things were decided:

In the first place, every general Council meeting begins with a top-level discussion, at which the Ministers and Secretaries of State, and as a rule

also the Permanent Representatives and the President of the Commission, take part. This is to enable the Presidents of the Council and of the Commission to report on the progress of work and to provide the opportunity for a frank exchange of political views. At the last Council meeting, on 25 June, we took up the business of the Council in this manner, and I can tell you that this method has stood the test very well.

In the second place, during the week preceding every Council meeting, the Committee of Permanent Representatives holds a working meeting with the President of the Commission, at which the agenda is prepared and the main political questions requiring the attention of the Council are defined. This also has taken place in the meantime and the method has led to improvement in our working procedures.

In the third place, the governments of Member States must give their Permanent Representatives more room for manoeuvre by issuing instructions, so that agreement on that level can already be reached wherever possible. Here, we cannot as yet put on record any experience which would indicate an improvement in the position.

On the question of abstentions and the transfer of powers to the Commission, a gentleman's agreement was reached at the meeting of 25 June. We hope this will lead to further improvement in the work of the Council. After about six to twelve months we shall make a careful check on the experience gained and draw the appropriate conclusions.

President. — I call Lord Chelwood to put a supplementary question.

Lord Chelwood. — Mr President, I thank the President-in-Office for what is in fact quite an encouraging reply as far as it goes. Does he agree that if real progress is now to be made towards closer political and economic unity in the Community, and even if the existing consensus arrangements, which go well beyond the Luxembourg compromise which has no validity in law, are bound to continue for the time being, Parliament is entitled to ask the Council of Ministers for an assurance that the enhanced role now envisaged for the Presidency really is intended to lead to speedier decision-making processes by the Council and that it will do so?

President. — I call Mr Wischniewski.

Mr Wischniewski. — (D) I should like to reply to this supplementary question as follows. As I pointed out in my reply, the Council has taken

Wischniewski

to heart the need for speeding up its working procedures. It is up to the President of the Council to make every effort to ensure that the Council's declaration of intent is put into effect. I am sure that all Member States are prepared to cooperate in implementing this declaration and I trust that we shall find during the months to come that progress can be achieved in this way. The experience gained should enable us to assess the practical results as well as all measures taken by the Council in connection with its working methods. I had already pointed out that we shall draw the necessary conclusions from the experience gained over a period of six to twelve months in the changed and—we trust—improved position.

President. — I call Mr Kirk.

Mr Kirk. — Mr President, I thank the President-in-Office of the Council for the reply he has given to my friend, Lord Chelwood, and I ask him whether the Council has considered the possibility, for a temporary period at any rate, of adopting a system of partial agreements among Member States, where full agreement appears to be impossible. And would there not be a precedent in the action that has been taken by certain Member States in the monetary field from which other Member States have excluded themselves?

President. — I call Mr Wischniewski.

Mr Wischniewski. — (D) Mr President, I had already pointed out that at its meeting of 25 June the Council was able to reach a gentleman's agreement in the matter of the partial agreements—my definition of the use of abstentions. The Permanent Representatives are going into this question more deeply. The forthcoming meetings, the July meeting I hope, will show whether we can make good progress with this method; in any event I consider that we took a major step forward on this question at the last Council meeting.

President. — I call Mr Cifarelli.

Mr Cifarelli. — (I) Mr President, since the Luxembourg compromise has a bearing on the problem of the majorities determining the internal vote in the Council, I would ask the President-in-Office of the Council whether from this point of view there is any chance of avoiding this failure to apply the Treaties, which is what the Luxembourg Agreement was about.

President. — I call Mr Wischniewski.

Mr Wischniewski. — (D) Mr President, the Council's endeavour to make more use than before of the method of abstentions represents a move in the direction we have been discussing. For the rest we must of course fall back on the Treaty, and we must make an attempt—resorting to this expedient for the present—to apply the provisions laid down in the Treaty as quickly as possible.

President. — Thank you, Mr Wischniewski.

President. — We shall now proceed to questions addressed to the Commission of the European Communities.

I call Question No 2 by Mr Eisma and No 3 by Mr Willi Müller on protection of the waters of the Rhine Basin against pollution, as they are on the same subject. They are worded as follows:

Question No 2:

Why has the Commission not yet submitted the proposals on the protection of the waters of the Rhine Basin against pollution¹ promised by 31 March 1974 in the Community environmental action programme?

Question No 3:

When will the Commission fulfil the obligations in regard to the protection of the waters of the Rhine Basin against pollution laid down in the environmental action programme, and what proposals does it intend to submit?

I call Mr Cheysson to answer the questions.

Mr Cheysson, member of the Commission of the European Communities. — (F) Mr President, as the Assembly knows, problems of the pollution of the Rhine were dealt with in the Community environmental action programme adopted by the Council on 22 November 1973. This action programme followed from the 1972 Conference of Ministers at the Hague, which instructed the Commission to keep a close watch on the development of pollution in the Rhine and to make appropriate proposals taking account of studies already carried out and in the light of those in progress within the International Commission for the Protection of the Rhine against Pollution. The questions by the two Members refer to this part of the resolution.

Since then the Commission has taken part as an observer in the work of the International Commission for the Protection of the Rhine. Thus it can keep a close watch on the implementation of the decisions of The Hague Con-

¹ OJ No C 112 of 20. 12. 1973, pp. 26-28.

Cheysson

ference on problems of salt pollution, chemical pollution and thermal pollution. The Commission also participated in the Bonn ministerial conference of 4 and 5 December 1973 which followed from the earlier conference at The Hague and made practical proposals based on the decisions taken there.

It was decided to prepare a draft convention on protection against chloride pollution, especially sodium chloride. It was also decided to prepare one or more documents on chemical pollution with three lists of pollutants which it would be quite forbidden to dump or only permitted to a limited extent and subject to certain conditions.

The International Commission for the Protection of the Rhine is currently preparing the texts of these agreements, which will be submitted for approval to the third Ministerial Conference late in 1974, one year after the Bonn Conference. It would, therefore, be premature to submit at this stage supplementary proposals which could impede progress in current work and the preparation of the documents which, you will realize, has proved very difficult. Yet the Commission reserves itself the right where necessary to offer a Community contribution to the work.

President. — I call Mr Eisma to put a supplementary question.

Mr Eisma. — (NL) Mr President, although I was aware of the presence of the Commission at the ministerial meetings with the Commission on the Protection of the Rhine during recent years, may I ask why, after these conferences of ministers with the Rhine Commission have been trying since 1972 to reduce the salt content of the Rhine, this same salt content is nevertheless increasing year by year, so that it has now become all but impossible to extract drinking water from the river. Now that no more positive attitude is to be expected, namely from France, even during the coming ministerial conferences, is it not becoming harder and harder to take seriously this pious intention to clean up the drain of Europe, and should the Commission not take a bolder line in the matter of such protection, and more particularly, reducing the salt content of the river?

President. — I call Mr Cheysson.

Mr Cheysson. — (F) Mr President, it is in fact on salt pollution and sodium chloride that the most advanced work has been done and, as the honourable Member knows, the principle of creating dumps to considerably reduce salt pol-

lution has been accepted. It now remains to determine the implementing conditions of this project which raises major ecological, financial and economic problems.

President. — I call Mr Willi Müller to put a supplementary question.

Mr Willi Müller. — (D) Mr President, may I ask Mr Cheysson whether the Commission is aware that during this long time while we have been discussing these questions, the pollution of the Rhine has become considerably worse, with no better prospects in sight? I should, therefore, like to reiterate the question already put by my colleague and ask whether the Commission, which had declared in its environmental action programme that it would take action itself if others did nothing but talk, is now ready to bring the talk to an end and take action in the interest of public health among the nations which border the Rhine.

President. — I call Mr Cheysson.

Mr Cheysson. — (F) Mr President, I think we must approach this subject very cautiously since, as you know, it concerns a large number of people. It concerns those suffering from pollution but also those employed in work connected with mining and current economic activity in the region. No-one denies the need for progress in this field and I can assure the honourable Member that the Commission will urge the need for rapid results. The first results will probably come in the field of salt pollution; I do not believe, incidentally, that this problem has increased in recent times. There is, however, growing anxiety about the much more difficult fields of chemical and thermal pollution, as Mr Müller pointed out, and these problems must be tackled energetically.

President. — I call Lord Bessborough.

Lord Bessborough. — Mr President, would the Commission say whether full account has been taken of advanced research work on waste treatment and sewage disposal in national institutes in Member States, especially in new Members of the Community such as Britain which is not a riparian state of the Rhine? What is being done to harmonize or coordinate research and development in these matters?

President. — I call Mr Cheysson.

Mr Cheysson. — (F) I was referring to studies in progress which are undertaken by all institutes and laboratories specializing in this

Cheysson

field, in particular a very highly reputed institute in England.

President. — I call Mr Noè.

Mr Noè. — (I) Mr President, since Mr Eisma has so opportunely referred to the need for drinking water, I should like to ask the Commission whether, within the framework of negotiations with the third state involved—Switzerland—research is being undertaken on the problem of making greater use of Lake Constance as a source of drinking water.

President. — I call Mr Cheysson.

Mr Cheysson. — (F) Mr President, Mr Noè rightly points out that Switzerland has an interest in this problem and is itself an agent in the pollution of the Rhine, in respect both of chemical and thermal pollution. The waters flowing from Switzerland are fairly heavily charged and unfortunately polluted already.

Switzerland belongs to the International Commission for the Protection of the Rhine, where it plays an active part which is, as I said, all the more necessary in that it has serious problems such as the household waste from the town of Basle.

President. — I call Mr Jahn.

Mr Jahn. — (D) Mr President, may I put the following question to the Commission Representative, Mr Cheysson, with this initial observation. We all know that the International Commission for the Protection of the Rhine has been at work for many years, but that with every year that passes—a thing I can vouch for as I live on the river bank—the pollution gets worse.

What prospect is there, when the research into chemical pollution is completed, of bringing about a harmonized legislation in the individual states concerned, so that at last something is done about it?

Since all countries along the Rhine apart from Switzerland are Members of the Community, it should be possible, as our colleagues have just pointed out, for the programme of action which we have worked out and adopted unanimously to be regarded as a basis for the protection of the river.

Will the Commission henceforth cease to be content with an observer role and stake a claim with the Member States to direct representation in the International Commission for the Protection of the Rhine?

President. — I call Mr Cheysson.

Mr Cheysson. — (F) Mr President, the agreements to which I referred must be international, signed by the various riparian states of the Rhine, including Switzerland which is not a member of the Community. They are general agreements. Since they have serious effects on the economic life of the countries involved they will almost certainly be submitted for ratification to the national parliaments, whose sovereignty they affect. At that moment, internal rules may be adopted. This is a lengthy process. Yet it must be realized that this is a question not of wishes but of actual implementation which seriously affects the economic life of whole regions. Parliaments and governments must, therefore, have a say in these matters which are of fundamental importance to large regions of Europe.

President. — I call Mr Laban.

Mr Laban. — (NL) Mr President, does the Commission not consider that it is high time the juridical vacuum were filled by putting forward proposals on an agency for the Rhine Basin—a body with powers to draw up inventories, establish standards, exercise supervision and impose penalties, so that the problems of the Rhine are not left to governments, but solved at supranational level with the participation of the Commission?

President. — I call Mr Cheysson.

Mr Cheysson. — (F) Mr President, no such proposal was made and it would involve problems of competence. May I point out that in the case of the Rhine it also raises the problem of the cooperation of the Swiss Confederation, without which our action would be rather pointless. Finally, in my view, I feel one should be cautious about creating such agencies whose decisions, I repeat, would directly affect the existence of whole regions, hundreds of thousands of workers and millions of inhabitants.

President. — I call Mr Patijn.

Mr Patijn. — (NL) Mr President, are the data supplied by the Commission to the effect that the salt content of the Rhine has dropped not in contradiction to the results obtained by the cooperation of water companies in Holland, to the effect that in 1971 the salt content of the Rhine was 319 kg/sec., in 1972, 303 and in 1973, 328 kg/sec. On what basis has the Commission supplied us with totally different information?

President. — I call Mr Cheysson.

Mr Cheysson. — (F) Mr President, we would be happy to forward to Mr Patijn the statistics we have. They cannot be summarized in two figures as he has done.

The flow of the Rhine varies enormously according to the season. In a normal year the flow can more than double from one season to another. In bad years when the Rhine waters fall terribly, its flow can vary in a proportion of 7 to 1; extreme pollution figures do not, therefore, make much sense. But I should be happy to give Mr Patijn the figures we have available.

I said earlier that the purpose of the agreement would be to reduce pollution of the Rhine; since no such agreements exist to date, we cannot yet determine results in terms of statistics.

President. — Thank you, Mr Cheysson.

President. — I call Oral Question No 4 by Lord Mansfield on opium production in Turkey. It is worded as follows:

Is the Commission aware that the Turkish Government is contemplating the resumption of the commercial growing of poppies next season, with a view to the production of opium which may well be distributed either legally or on the black market to the Member States of the Community?

I call Mr Lardinois to answer the question.

Mr Lardinois, member of the Commission of the European Communities. — (NL) Mr President, I can advise the honourable Member that the Commission is aware of the fact that the Turkish minister of agriculture stated in March that he authorized the experimental stations working under his own department to sow a certain quantity of poppyseed, so as to maintain adequate stocks of high-quality poppyseed. This seed would lose its germinating power if the re-sowing were not done, with the result that controlled production in the future would become more difficult. The Turkish Government has, however, let it be known that it is aware of the concern felt in other government circles over the possibility of renewed commercial poppy-production. I should like to make it plain in this Parliament that the legislation of 1971, which forbids commercial poppy production in Turkey, remains in full force.

President. — I call Lord Mansfield to put a supplementary question.

Lord Mansfield. — Mr President, whilst thanking the Commission for that answer and acknowledging perhaps that he may not be wholly conversant with this form of agriculture, may I ask him whether he realizes that there are grave fears that, legally or illegally, full commercial production of opium will be resumed by the Turkish farmers growing these poppies; and may I further ask him this: would the Commission, bearing in mind the very warm relationship between the Community and Turkey, try to make use of the Association Agreement to enable the Turkish farmers to obtain a reasonable living without growing this crop which has potentially serious and harmful social side-effects?

President. — I call Mr Lardinois.

Mr Lardinois. — (NL) Mr President, I should like to point out that commercial poppy production is not in itself an undesirable thing provided it is strictly controlled. In the Community, for example, there is an annual need for considerable imports of poppyseed and opium for pharmaceutical purposes. Our present imports are of the order of about 10 million u.a. per annum. In itself, therefore, commercial poppy-production does not constitute a threat; we are importing from some ten countries, particularly in Eastern Europe and in the Middle East, and the main issue here is to prevent, and urge the Turkish Government also to prevent, the appearance of an uncontrollable commercial poppy production. As the honourable Member is aware, the United States, for example, have paid the Turkish Government a considerable sum as compensation for the farmers affected. So far this matter has not been discussed any further within the framework of the Association Agreement between Turkey and the Community. We are making use of the possibilities provided in the Association Agreement to stimulate agricultural production in Turkey on particular lines, if called for. Should the Turkish Government wish it and should it be possible to promote special activities in these fields, we shall certainly take this into consideration.

President. — Thank you, Mr Lardinois.

President. — I call Oral Question No 5 by Sir Douglas Dodds-Parker on a European currency.

It is worded as follows:

What progress has been made in the establishment of a EUROPA as a step towards a European currency?

I call Mr Dahrendorf to answer the question.

Mr Dahrendorf, member of the Commission of the European Communities. — (D) Mr President, we do not at present have a currency unit which could be realistically described as a step towards a European currency. We do have units of account but these are no more than what the name says. They are used for administrative purposes. Therefore, in answering on behalf of the Commission, I can but refer to the fact that studies have been completed or are under way on the possibility of introducing a parallel currency.

I would refer to the study submitted by the Commission in October 1973 which included a section on this theme. I would refer also to the fact that a working party is now meeting to consider the question of European Economic and Monetary Union in 1980. I would draw particular attention to the fact that the currency services of the appropriate directorate-general of the Commission has called in a party of experts to deal with the specific question of defining a parallel unit of currency and the conditions under which it could be introduced. This party is to publish its report by the end of this year.

President. — I call Sir Douglas Dodds-Parker to put a supplementary question.

Sir Douglas Dodds-Parker. — Mr President, in thanking the Commissioner for that reply, may I say that it indicates to me that the Commission is sympathetic to the idea of an urgent need for practical action on a EUROPA, a EURCO, a European SDR, whatever form it might take, for political, economic and commercial reasons. And will he therefore again bring to the attention of Ministers concerned, stressing the need for some practical progress at an earlier date than 1980?

President. — I call Mr Dahrendorf.

Mr Dahrendorf. — (D) Mr President, the way in which the questioner has interpreted the attitude of the Commission is quite correct. I am ready to take it up. I would only add that as regards these questions the Commission attaches the greatest importance to the fact that realistic proposals are put forward at appropriate times, and that no false expectations are raised in this sphere which is so central to European progress.

President. — I call Sir Brandon Rhys Williams.

Sir Brandon Rhys Williams. — May I start by congratulating the Commission on their initia-

tive in making a special study of the ways of introducing an alternative currency which recognizes the difficulties that have been encountered by the purely mechanistic approach represented by the snake in the tunnel. But may I also emphasize that there is a need for urgency here in view of the instability of the paper currencies, and may we look to the Commission to strengthen the European Fund for Monetary Cooperation which will need to have powers to supervise the development of a EUROPA, or whatever we like to call a reliable alternative European currency?

President. — I call Mr Dahrendorf.

Mr Dahrendorf. — (D) The answer to this question is: Yes! Let the House rest assured that the Commission will continue in future to work for a strengthening of the Fund for Monetary Cooperation. May I point out, however, that the proposals which have been made up to the present for the use of this Fund are not, strictly speaking, concerned with a parallel currency, but only with a specific form of unit of account.

President. — I call Lord Reay.

Lord Reay. — Will the Commission, without waiting until the end of this year, consider making the proposal that loans should be floated to the OPEC countries in a European currency which will be a cocktail of Community currencies along the lines of the EURCO, but perhaps with some technical improvements? Such a proposal might be attractive to the OPEC countries because it would essentially remove the risk of loss resulting from parity changes as between Community currencies and it might be attractive and welcome to the Community because such loans would provide support for the Community's weaker as well as its stronger economies.

President. — I call Mr Dahrendorf.

Mr Dahrendorf. — (D) In the Commission's discussions at present a vital part is played by the special problems which arise out of so-called 're-cycling'. The Commission will examine every proposal which may prove helpful, particularly where such proposals also help us to provide a Member State with a relatively poor balance of payments with better opportunities. Thus far, this proposal will also be examined. It would, however, be misleading if I were to give the impression that the Commission considers this proposal realizable in the near future.

President. — In the absence of the questioner, Oral Question No 6 by Mr McDonald will form the subject of a written answer.

President. — I call Oral Question No 7 by Mr Delmotte on rail links between the places of work of the European institutions. It is worded as follows:

The new rail timetable (valid as from 25 May 1974) creates difficulties in respect of travel between the places of work of the European institutions (Brussels, Luxembourg, Strasbourg); what action does the Commission intend to take to restore at the earliest possible date the timetable which existed before this change?

I call Mr Dahrendorf to answer the question.

Mr Dahrendorf, member of the Commission of the European Communities. — (D) Mr President, the Commission, like the honourable Member no doubt, welcomes the fact that the Trans-Europe Express between Amsterdam and Zürich has doubled its service. Like Mr Delmotte, the Commission has acquainted itself with the new timetable for this train. It offers a number of advantages, but there are also drawbacks, according to who is catching the train and where. I do not know what difficulties the questioner has in mind. I have to draw the attention of the House to the fact that the drawing up of timetables for rail links between the Community's places of work does not fall within the scope of the European institutions, which as far as I am aware are not consulted by the railway companies.

President. — I call Mr Delmotte to put a supplementary question.

Mr Delmotte. — (F) I regret having to repeat my question. The doubling of rail services to which you refer is a fact of the past. Quite recently, dismissing the existence of the European institutions, the rail companies concerned cancelled all day-time connections leaving only very early morning or late evening services. After the last Strasbourg part-session, all the officials and Members of Parliament concerned returned to Brussels or Holland during the night because the earlier very useful services listed on the intra-European train timetables had been cancelled.

President. — I call Mr Dahrendorf.

Mr Dahrendorf. — (D) Mr President, I can but acknowledge this information on behalf of the Commission without being able to say that we shall be in a position to make substantial changes. According to my information, questionnaires

are currently being distributed in the trains themselves, to serve as a basis for possible changes in timetables, and it would certainly be useful if the ideas which have been expressed in this House were made known there.

President. — I call Mr Patijn.

Mr Patijn. — (NL) Mr President, I should like to correct Mr Dahrendorf on one point. There is no question of doubling the Amsterdam-Zürich rail service; Amsterdam-Brussels has been dropped entirely, and the doubling has taken place between Brussels and Zürich. We can now no longer take the Trans-Europe Express from Holland to Strasbourg.

The question I wish to put is whether the Commission is prepared together with Parliament to examine the question of running a special train between Brussels and Strasbourg before and after each part-session?

President. — I call Mr Dahrendorf.

Mr Dahrendorf. — (D) The idea is new and I shall be happy to pass it on to my colleagues in the Commission.

President. — Surely Mr Patijn means from Amsterdam?

(Laughter)

I call Mr Noè.

Mr Noè. — (I) Mr President, I should like to take this opportunity to ask the Commission whether they do not consider it worthwhile to give serious consideration to the idea of setting up a single headquarters for all the Community institutions.

President. — I call Mr Dahrendorf.

Mr Dahrendorf. — (D) Mr President, I do not consider that a question on rail links between the places of work of the Community can be the occasion for issuing a statement on this matter.

President. — Thank you, Mr Dahrendorf.

President. — I call Oral Question No 8 by Mr Martens on the price of milk in March 1974. It is worded as follows:

May all the Member States follow the example of the French Government, which has made an additional payment to milk producers of 3 francs per 100 kg plus a further payment of 2 francs per 100 kg in mountain districts, for milk pro-

President

duced in March 1974, corresponding to the Commission's original intention to raise the price of milk as from 1 March 1974?

I call Mr Lardinois to answer the question.

Mr Lardinois. — (NL) Mr President, in principle I would give a negative answer to this question. The 'no' however applies rather to the additional payment made in France for all milk during the four weeks of March, than to the payment made in the true mountain areas, since France has for this purpose selected areas which fully fit that concept, as was accepted in November last year by the Council. In fact other Member States have already introduced similar subsidies under their national agricultural policies.

President. — I call Mr Scott-Hopkins.

Mr Scott-Hopkins. — Mr President, would the Commissioner confirm that whilst there has been a drop of, I think, 6% in milk output in the United Kingdom, there has been the same equivalent drop of milk output throughout the Community, and is he at all worried about the position of supplies during this coming winter and indeed the spring of next year?

President. — I call Mr Lardinois.

Mr Lardinois. — (NL) Mr President, as now appears to be the case throughout the Community, we are still expecting to maintain a balanced position on the market both at the start and at the end of the winter as regards milk products. In the nature of things the picture differs from region to region. In the United Kingdom in particular, the drought this year has had more than its average impact.

President. — I call Oral Question No 9 by Mr Noè on the development of resources by Community undertakings.

Does the Commission not consider that in order to make it less difficult in future for the Community to obtain certain important raw materials originating in third countries, it would be advisable to encourage the participation of Community undertakings in the preparation, financing and implementation of large-scale programmes to develop the resources of certain third countries?

I call Mr Cheysson to answer the question.

Mr Cheysson. — (F) Mr President, pursuant to the mandate conferred on it by the Copenhagen Summit, the Commission is currently considering the whole problem of raw materials to which the honourable Member's question refers.

The further we advance in our considerations, the more we are convinced that Mr Noè's remark is most pertinent and that one must in fact encourage European undertakings to participate in the preparation, financing and implementation of programmes to develop the resources, in particular mineral resources, of developing countries.

May I add that we must also encourage our undertakings to participate in the marketing of the corresponding products, since marketing promises often act as the best incentive for the development of new projects.

Even now, Mr President, many undertakings are doing this. How should we encourage them to do even more? This is what we must consider. It raises problems of investment guarantees, management, protection and mutual information between developing countries and undertakings. All these problems must be tackled on the basis of specific cases.

It may be pointed out here that bilateral action by all national governments of the Community, and other governments too, must be supplemented by Community action. Clearly the responsibilities of the national or Community public authorities must be very closely bound up with the initiatives taken and risks incurred by the private undertakings.

The Commission has made much progress here, I repeat. This was reflected in numerous proposals and recommendations, in particular: the recommendation to governments of last January on action to be taken in the energy-producing countries; the very recent recommendation on industrial cooperation within the framework of our negotiations with the countries of Africa, the Caribbean and the Pacific; the recommendation within the framework of our negotiations with the Maghreb countries; the proposal on certain ideas to be developed within the framework of the future Euro-Arab dialogue. Finally, very practical action will be taken where possible: for a long time now the European Development Fund has attempted to encourage action of the kind recommended by the honourable Member.

Briefly, we consider the line recommended a good one and will continue along it.

President. — I call Mr Noè.

Mr Noè. — (I) Mr President, I thank Commissioner Cheysson for his reply, but may I just point out with regard to the Amazon Basin, whose surface exceeds that of the Community, that whereas the United States and Japan are contributing technical and financial aid (Japan

Noè

is planning the construction of a large hydro-electrical installation on the Rio Tocantins, a tributary of the Amazon river) the Europeans are conspicuous by their absence. Subject to this observation I am satisfied with the reply given to me.

President. — I call Mr Cheysson.

Mr Cheysson. — (F) Mr President, we knew that the honourable Member had tabled this question in the context of an observation he made recently concerning the Amazon Basin.

As you know, a number of European undertakings, mainly German and Italian, are already active in this basin; but I am most grateful to Mr Noè for extending his observations to cover all the developing countries. That is, indeed, the way to look at the question. We must think of all those who produce raw materials and who, as a result, are important to us in terms of our needs and the present danger of poverty.

President. — I call Sir Brandon Rhys Williams to put a supplementary question.

Sir Brandon Rhys Williams. — As commodity prices seem to be definitely set on a downward trend, is this not a particularly opportune moment for reviving what I think was known as the Deniau-Plan for Community price support schemes to secure long-term supplies of particular raw materials from countries closely associated with the Community?

President. — I call Mr Cheysson.

Mr Cheysson. — (F) Mr President, I am grateful for this supplementary question.

The Commission is indeed convinced that the ideas it put forward last April, on the initiative of my predecessor, are more topical than ever now. Yesterday, during its meeting, the Commission further discussed and defined several aspects of last year's proposals and these ideas will be forwarded to the Council in the near future. The Deniau Plan must be borne in mind and inscribed within the framework of the negotiations with the African, Caribbean and Pacific countries.

May I point out, however, that this is only part of the problem. The question of raw materials prices—and the connected question of security of supplies—must one day be dealt with at world level.

President. — In the absence of the questioner, Oral Question No 10 by Mr Creed will form the subject of a written answer.

Mr Lardinois will make a statement on behalf of the Commission of the European Communities at the close of Question Time on Oral Question No 11 by Mr Scott-Hopkins on the stock of beef within the Community.

I call Oral Question No 12 by Mr John Hill on estimates of the 1974 harvest within the Community. It is worded as follows:

What are the latest available estimates of the 1974 harvest of barley, wheat, maize and sugar in the Community in view of the adverse weather conditions during the first quarter of 1974?

I call Mr Lardinois to answer the question.

Mr Lardinois, member of the Commission of the European Communities. — (NL) Mr President, with regard to the maximum estimates in the Community for the cereals and sugar harvests in 1974 I should like to say the following. We are expecting the cereals harvest of the Nine this year to be about equal to that of 1973. In 1973 the harvest was 105 million tons for all cereals together.

Among other factors, this estimate is based on the circumstance that the acreages under cultivation have been increased by nearly 1.5%, that the winter cereals, which amount to half of the Community's cereals production approximately, have, generally speaking, excellent prospects, and in the third place—this is a negative factor—that in some of the more northerly areas of the Community such as the United Kingdom and Denmark, the summer cereals have suffered somewhat from the drought. In a nutshell, we are expecting a total cereals harvest of some 105 million tons, which is what was produced last year.

As far as sugar is concerned, the total production last year was around 9.5 million tons for the Community. I cannot state with the same assurance that we shall be gathering a similar harvest this year. A lot depends on the weather over the coming months and more particularly during the late autumn when most of the sugar beet is harvested in the north. The possibility of gathering the same harvest as last year is certainly not excluded, but this is less likely than with cereals.

President. — I call Mr John Hill to put a supplementary question.

Mr John Hill. — Mr President, surely the Commissioner's answer must mean that any growth has been, or is likely to be, lost through adverse weather conditions. Therefore would he not agree that harvest yields are likely to be well below average in those areas which have been

John Hill

afflicted, like parts of my country, by the worst spring drought of the century, and must that not mean a sharply reduced income for certain arable farmers in the worst-hit areas and incidentally a continuing shortage of home-produced feedingstuffs for livestock farmers? Would he not further agree that if the income from crops is down while agricultural production costs continue to increase, there is likely to be a danger of acute shortage of cash in several agricultural areas next winter; and if he shares my fear that it is likely in turn to cause a drop in production, for example as a result of farmers' inability to buy sufficient expensive fertilizers, would he say what emphasis he is giving to this danger, both in his discussions within the Commission and with the Council of Ministers?

President. — I call Mr Lardinois.

Mr Lardinois. — (NL) Mr President, as I have just said, in some areas of Great Britain and also in parts of Denmark the damage due to drought has been greatest this year for spring cereals. The information I gave on estimated harvests concerned the entire Community, and of course there are, every year, certain regions where the harvest yields drop due to specific conditions. As far as I can judge at present—and I have no specific data on the harvest in the United Kingdom itself—a good harvest is expected for winter cereals (in Britain this is almost exclusively winter wheat); as regards spring cereals, the harvest loss in Great Britain will no doubt be greater than elsewhere in the Community. To what extent this involves extra disadvantages for arable farming generally in Britain, I cannot at present easily estimate, the more since we cannot as yet in the nature of things be sure what the cereals price levels will be at harvest-time and thereafter. What I can say is that a somewhat higher price level than the present guaranteed price is now much more likely than it seemed two or three weeks ago. Wheat prices rose on the world market by almost 40% within a week, and as you are aware, world market prices for cereals affect Great Britain more than they do the rest of the Community, because the brake is not put on until the official price level of the Community is reached, and Britain falls somewhat below this at present.

There is therefore no doubt that summer cereals and sugar production will be adversely affected by weather conditions in Great Britain, but as compared with the guaranteed price for cereals, which is expected at harvest-time and thereafter, this production loss in respect of British arable farming as a whole, will no doubt be

made good. I can say that, as far as Great Britain is concerned, I am more worried for the producers of processed products, beef, milk, etc., than for arable farming.

President. — I call Mr Scott-Hopkins.

Mr Scott-Hopkins. — Do not the Commissioner's figures on production mean that it is static throughout the Community and is not consumption of grains and sugar increasing throughout the Community at roughly 1 1/2-2% per annum? Does this not mean that in these particular commodities there will be a shortage throughout the remainder of 1974 and 1975, and what provisions is the Commissioner making, for instance in respect of sugar, to arrange for additional supplies to come in perhaps from Australia or elsewhere and to safeguard supplies so that consumers will not find that the shortage is pushing up the level of prices?

President. — I call Mr Lardinois.

Mr Lardinois. — (NL) Mr President, as far as cereals crops are concerned I have already pointed out that, taken on the whole, no drop in production is to be expected. The price situation on the world market being what it is, consumption of European wheat will no doubt rise as compared with normal years or even last year. We are in a position to keep our wheat prices well below the world market price level, which will result in an increased demand for European wheat when the price of US and Canadian wheat is high. We may therefore expect the consumption of wheat to increase considerably. But it is precisely in the grain and wheat sector that the Community produces a surplus. So this year also, owing to the great scarcity, the Community will have to export wheat. And we shall indeed be able to do this constantly, because we have no intention of granting a de-naturing premium under market conditions like these.

As far as sugar is concerned, we have already reached a radical decision, which will result in the fact that No 'A' or 'B' sugar will be exported, and also, that 80% of the so-called 'C' sugar, which farmers grow at their own risk and which is not covered by any guarantee, will remain in the Community.

This therefore means that, at a normal production level of 9.5 million tons, the Community will, with normal harvests, still have more sugar than it needs and be able to stock up, even if the Commonwealth countries should deliver less, e.g. 400 000 tons less. We cannot reliably predict how this balance will work out.

Lardinois

If luck should go against us both as regards imports and harvests etc., we might have to make supplementary provision; but the most important measure, namely the retention of our entire harvest with the exception of 20% of the so-called 'C' surgar, is a very radical decision and will no doubt have a favourable effect on our provision for next year.

President. — I call Mr Frehsee to put a supplementary question.

Mr Frehsee. — (D) May I just ask Mr Lardinois (I think that in connection with what we have been discussing here hitherto, it would be important for the House to obtain this information) how agricultural prices within the Community have been moving within the last few months since the new agricultural prices were discussed here, and how agricultural costs have moved during that time. In my country the figure is 8.7%. Prices have dropped by 8.7% and agricultural costs have risen. It would be interesting to find out how prices and costs have moved throughout the Community.

As regards the prices of processed products I am fully in agreement with Mr Lardinois. It has become clear that prices have reached a level at which even the consumption of processed products is affected. The consumption of beef and pork—the matters of concern you have just mentioned—is a much more worrying question than that of the supply of plant products. The accumulating stocks of beef and pork, and the surpluses of processed products are giving much more cause for concern, and this is the point I wanted to stress. Here we have an interdependence between prices and consumption, as falling producer prices do not necessarily have any effect.

Perhaps Mr Lardinois will have a word to say on this.

This is generally speaking a very interesting question, Mr President.

President. — I call Mr Lardinois.

Mr Lardinois. — (NL) Mr President, as you are aware, it is our endeavour to keep the price levels, both for producers and for consumers, as stable as possible within the margin between intervention prices and guide prices in general. For this reason we have heavy export levies for plant products such as wheat, sugar and rice. And the export levy on sugar is even something like 120% of the guarantee price; for wheat it is about 35 to 40%. For barley, the levy over the major part of the year was above 100%.

This constitutes an important contribution to the struggle against inflation, which is also of great importance from the point of view of keeping costs as stable as possible for the consumer. On the other hand it is our duty to maintain the prices paid to the producer at the level guaranteed to him, when prices drop, so that the intervention prices are kept stable. In contrast to last year, when Mr Frehsee and I discussed the matter exhaustively, we can in any event feel happy this year about the dairy sector which is such an important branch of agriculture. This year, however, we are having a lot of trouble—since the beginning of the year with beef and since March/April with pork—in maintaining the intervention prices, partly because for this sector technical provisions are not really adapted to the commitments we have. We are at present looking into the possibility of improving this; I hope to be able to supply further information on the matter after question time.

President. — Oral Question No 13 by Mr Härzschel is postponed to the next part-session.

Oral Question No 14 by Mr Gerlach is withdrawn.

Thank you, Mr Cheysson, Mr Dahrendorf and Mr Lardinois.

Question Time is closed.¹

5. Commission statement on stocks of beef in the Community

President. — Oral Question No 11 by Mr Scott-Hopkins on the stock of beef within the Community, on which Mr Lardinois has asked to make a statement, is worded as follows:

How many tons of beef are in intervention cold store at the latest convenient date, and how many days reserve stock for the Community does this entail?

I would remind the House that speaking time on Mr Lardinois' statement is limited to a total of 20 minutes.

I call Mr Lardinois.

Mr Lardinois, member of the Commission of the European Communities. — (NL) Mr President, I should like to make a brief statement on a decision which the Commission took yesterday evening and which enters into force today. I consider it important that this decision should be seen in the right light. We have issued

¹ See Annex: Oral questions which could not be answered during Question Time, with written answers, p. 61.

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instructions to Member States to discontinue the issue of import licences as from today for a period of 14 days, in respect of live cattle and fresh beef. Our ruling on frozen and chilled meat imported from overseas remains unchanged. The decision to stop the issue of import licences for a short period of 14 days was taken because, in connection with general trends on the world market, a tendency towards speculation had arisen with regard to imports into the Community, partly as a result of present monetary difficulties and the Italian measures taken to combat them. The Italian market is without a doubt the most important market for fresh meat and livestock, and we have thought fit to take this protective measure for a short period, in order to put ourselves in a position to devise rulings—particularly in our dealings with countries which export to the Community—which will make it impossible to undercut our market, which is at present in great difficulties—as sometimes happens even despite the existence of agreements to the contrary. I should therefore like to emphasize that it is no part of the Commission's intention to lead towards a complete stoppage of imports. The measure we have taken applies to European countries exclusively, its purpose being to check speculation. It is also meant to provide us with a breathing space in which to take up necessary contacts with a view to stabilizing imports from third countries also. I wanted to make this statement, Mr President, before replying to Mr Scott-Hopkins' question.

Mr President, the intervention stocks of beef amounted to 104 000 tons on about 1 June. In view of the fact that we are at the moment taking in some thousands of tons more per week than we are selling, we can say that at present the stock amounts to around 110 000 tons. This corresponds to a normal beef consumption in the Community of six days.

President. — I call Mr Scott-Hopkins.

Mr Scott-Hopkins. — Mr President, I am a little surprised at this procedure as I have not met it before. I am very grateful to the Commissioner for the statement that he has made. As I understand it, what he has said is that imports of live or freshly slaughtered animals are being stopped from coming into the Community for 14 days...

Mr Lardinois. — (NL) May I interrupt? This is a crucial point. We are not stopping imports. The import of live and freshly slaughtered animals from European countries will continue as usual. We have discontinued the issue of new import licences for a period of a fort-

night; these licences are normally valid for 15 days. In other words, we have put a stop to applications for import licences made for speculative purposes, but it is our intention to resume the issue of licences after this fortnight has elapsed and after the necessary agreements have been reached, and we hope this business will then be carried on in a more orderly way.

President. — I call Mr Scott-Hopkins.

Mr Scott-Hopkins. — I am grateful to the Commissioner for his clarification, and I now understand the purpose of the statement that he has made. But would he not agree that there is in point of fact a crisis of confidence throughout the Community, and not only in the United Kingdom, as far as beef producers are concerned? This particular statement deals with speculation in licences, which is a separate issue; nevertheless, imports into the Community from no matter what sources are aggravating the problem within the Community at the moment.

Would the Commissioner also care to comment on the statement which was made yesterday in the House of Commons and to say whether that statement will apply throughout the Community so as to give beef producers a more stable price above the intervention level? Will it not be necessary now to have a similar policy throughout the Community in order to restore confidence to beef producers in what must be a very dangerous situation for them all, and would he not agree in conclusion that whilst this crisis of confidence exists and a great deal of slaughtering is going on, not only in my country but elsewhere, the consumer is as yet not fully benefiting from the fall in prices that has taken place? I would agree that six days' supply in cold store is prudent for any government, or indeed for the Community. It is not excessive in any way. But would he not also agree that if he goes too much further, then the Commission will have to come forward with proposals for the disposal of these stocks, and does he not think that this new method of disposal, on which I hope he will submit appropriate proposals, must benefit the housewife in the form of lower prices? At the same time the Commission must do something to restore the confidence which is lacking at the moment throughout the beef industry, not only in the United Kingdom, but in the Community as a whole.

President. — I call Mr Lardinois.

Mr Lardinois. — (NL) Mr President, I am happy to reply to this question and to tell Mr Scott-Hopkins that I agree with him on the fact that

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there is at present a crisis of confidence with regard to the future of meat production during the coming months, but would point out that this applies not only, as he says, to the United Kingdom and the Community, but to the entire world. As far, at least, as the entire Western world is concerned, we are at the moment faced with a real crisis in the production of meat, both beef and pork. In the United States, for example, the price of beef has dropped by over 40% in one year, and particularly over the last few months. In the Community the drop in prices has been about 20%, but over the last week this has been moving towards 23 - 24%.

I think it is essential that we should attempt to strengthen our instruments throughout the Community in such a way that during the difficult months to come the intervention prices can be guaranteed. That is the issue, the guarantee we are giving. Obviously the price does not correspond to what we should like the farmer to receive, but it is the price we are guaranteeing him. I can assure you that we shall have a lot of trouble in meeting this commitment, if we do not wish to follow the line of least resistance, for example by stopping imports completely. That is a measure we are particularly shy of and to which we hope we shall not be forced to resort by developments outside the Community.

The position is now already such that a number of major importing countries, such as Japan and Canada, have taken similar measures; we are in touch with the United States to ensure that we avoid driving each other in this direction. I therefore take the view that we cannot follow the line of least resistance. If we were to do this in a one-sided way, it could lead to enormous repercussions, even on trade in quite different products. Both as Community and as Commission we wish to tread warily. The instruments we have at our disposal in this kind of crisis are only of limited use.

Let me try to give you a clear picture. People will be quick to say: naturally we have a surplus, a 'beef mountain' as this is called nowadays; the Community is always fixing higher guarantee prices so that production is stimulated, and this is then the result. I will not pretend that in the past nothing ever went wrong with this or that product, but this was certainly never the case with beef. If we posit the figure 100 for beef production in the nine Member States in 1972, the figure for this year would be 104. But last year it would only have been 90.

At a first glance, therefore, production has increased by over 14% as compared with last year. As compared with a normal year, however,

the increase is only 4%, which is less than the normal increase in consumption over two years. Moreover, this production is not extensive in the original six Member States, i.e. within the framework of the existing regulations of the common agricultural policy; it is extensive particularly in the United Kingdom and Ireland where for many years the extension of this production has been encouraged. As a result, it has increased considerably in five or six years.

It was last year which went wrong, when, partly as a result of the very high economic prosperity, the consumption of beef showed a steep rise throughout the world, with the producers reacting to the situation by expanding their production. What this amounted to in fact was that animals were kept out of the market for breeding purposes. Production on the farm therefore increased, but much less meat reached the market. As a result of this, we have had shortages last year throughout the world, including the United States, Argentina, Australia, etc.

So there were shortages, prices rose, and the consumer reacted negatively. Partly as a result of the economic difficulties we had in the winter in connection with the oil crisis, consumption did not rise again; this spring it remained at a low level, so that the shortage is now relative. But if over the coming six months we do not ensure stability for our producers—and this applies not merely to Europe but to the entire Western world—I am convinced that, perhaps already by the end of 1975, but in any event in 1976, there will again be a great shortage in the world if the economic trend is normal. So in this exceptionally difficult market it is a matter of ensuring a minimum of stability to the producer, to enable him to stay in production in as many cases as possible, and of preventing those reactions which are more widely permitted in parts of the world with different systems than under our agricultural policy or than would be in keeping with our principle of management.

I would agree with Mr Scott-Hopkins that a six-days stock is in fact not a stock at all, but the problem here is that we cannot keep meat for long in this way. So we are now on the lookout for a possibility of laying in stocks for a week or a fortnight, in such a way that the stocks could be kept for years. We are therefore looking into this problem from the technical point of view, and will endeavour to find a solution to it within a few months. I cannot therefore give you a decisive answer on this matter as yet, but I can say that I would see no objection to it if we as a Community were in a position to keep meat in stock for a week or two—in the form of preserved meat perhaps—with which

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we could manage for three to four years. It is to be expected that in the Western world cattle will be slaughtered on a large scale over the coming months—particularly in view of the present cereals prices, that large areas of pasture will be put to the plough and meadows emptied of cattle. In the nature of things this means that for two years we shall be having large surpluses of cereals, and shortages of meat. This development can be foreseen from now on, assuming that the economic trend remains the same as it is now.

IN THE CHAIR: MR MARTENS*Vice-President*

President. — I call Mr Brewis.

Mr Brewis. — Mr President, I will ask two or three very quick questions. The first one is, does the Commissioner's announcement apply only to beef or does it extend to pigs and lamb and mutton? Because as far as I am aware, there is no real problem in the sheepmeat market at the moment.

My second question is as follows: This is clearly an ephemeral problem and we must avoid at all costs the loss of confidence by beef-producing farmers, for otherwise, in a year or two's time, we shall find the price of beef going through the roof and considerable shortages will occur. Could the Commissioner say whether many calves are being slaughtered at the moment in the Community? In my country something like three times more calves are being slaughtered than last year; this could be very ominous for the future and it may be that we should take some action if it is also the case in the Community.

My last point is about the disposal of intervention stocks. Can we, without breaking the market, manage to do this to the benefit of the consumer in the Community and can we ensure that when the price of beef goes down in the auction marts, this also applies for the consumer in the shops?

President. — I call Mr Aigner.

Mr Aigner. — (D) I should like to ask Mr Lardinols in connection with what has just been said, whether he can inform us what was the level of imports of both live and slaughtered pigmeat and beef from state-trading countries over the last few months, and what is the trend in these imports?

Mr Lardinols, I do not know whether you have understood me. I was asking about the exports of beef and pork from state-trading countries and about the trend of these imports.

President. — I call Mr Frehsee.

Mr Frehsee. — (D) Mr President, in this matter I am not limited to questions; I may also be able to make some observations. These will be brief. First observation: I approve of yesterday's decision, namely, that for the next ten days no more import licences will be issued. I too regard this measure as necessary in view of the development of the beef market. I must in fact point out here that the measures taken so far have apparently not been adequate. On the other hand the Commission seems to take the view that it will be enough to stop the issue of import licences for ten days. I hope the Commission's optimism will be justified.

Second observation: I do not share Mr Lardinols' opinion that the beef stock levels we have at present should be increased beyond these 110 000 tons now laid up. He said he would be glad to see stocks sufficient to cover a fortnight's requirements. In this connection, Mr President, I would point out that the cattle are about to be driven off the pastures and that we shall in all probability have stocks to cover more than a fortnight. Present stock levels therefore seem to me to be adequate though not quite at ceiling level.

Mr President, a third observation: we must also bear in mind the cost of laying up stocks. As was pointed out by Mr Lardinols, the problem of the high cost of piling up stocks of butter has only recently come up for discussion. The high cost of piling up stocks of beef and pork may well raise tempers among our finance ministers. This was my third observation.

And the fourth observation, Mr President, in a nutshell: supply and demand govern prices. In the autumn supplies were short and demand keen, so that prices rose. On the other hand, prices in their turn govern supply and demand. Price levels have led to a steep rise in production. On the other hand prices—a salient point, this—have caused a shrinking and cutting down of demand. I should say that any measures we take should aim at matching up the consumer price for beef to the producer price. Of course I cannot now produce a patented formula. But if the consumption of beef should reach the same levels as last autumn we would no longer have any problem.

President. — I call Mr John Hill.

Mr John Hill. — Mr President, since the high prices which have provoked consumer resistance both within the Community as a whole and not just in the United Kingdom, arise not from shortage but from the increased real costs of production, and since they are, therefore, not likely to go down very quickly, is it not most important to encourage the consumer to go on buying beef even if the price has risen in real terms in comparison with certain alternative foods? Would the Commissioner say whether the United Kingdom premium payment is likely to be extended to other countries within the EEC as a good way of encouraging consumer consumption of beef and, if so, who will pay for such a premium?

President. — I call Mr Lardinois.

Mr Lardinois. — (NL) Mr President, I believe I still owe Mr Scott-Hopkins my reply to a question. To begin with let me say that I have not yet had the opportunity to examine yesterday's debate in the Commons or the statements which Minister Peart has made. I can however assure him that there has been some preliminary contact during which we have perhaps been able to make a few recommendations, but no formal request was made for an assent to his statement. Since I have not yet seen it, I am not yet in a position to make any comments.

Mr Brewis asks whether what I have said applies only to beef. I was in fact speaking only about beef and not about pork, poultry, lamb etc. But I should, however, like to make a distinction between beef on the one hand, and poultry and pork on the other hand, especially poultry; in respect of poultry a difficult situation arose a few months ago, but we can already see that efforts are being made to adjust quickly to a shrinking demand. This applies also, albeit to a lesser extent, to pork. The production of beef involves a longer cycle of time, so that any crisis which arises in beef production is felt more keenly. The beef producer cannot adjust as quickly as the producer of pork. I therefore assess the situation for beef against the background of the fact that the difficulties in the pork sector, taken at any rate for the Community as a whole, will be of shorter duration, particularly as we have just had a number of very good years.

The number of calves slaughtered is certainly not disquieting for the entire Community; I have had figures for the United Kingdom which suggest that the position over there is in general more difficult. There, calves, and particularly newborn calves, fetch very low prices. I wanted to point out and emphasize that one of the

causes lies in the fact that in the United Kingdom the existing system is being dismantled in order to bolster the market, and the Community system has for a variety of reasons, partly psychological, not yet been introduced. As a result of this, confidence in the future is probably more deeply prejudiced there than it is in the rest of the Community, one of the symptoms being the high percentage of calves sent to slaughter. We hope it will prove possible to bring about an improvement on the present situation within the Community framework over the coming weeks and months. Imports from state-trading countries have been less than last year, but we must not forget that last year the demand for imports was nearly a million tons. In view of the figures I submitted for consumption and production, this shortage will this year amount to 250 000 tons at the outside, and we can be quite sure that imports have not been reduced to a quarter. On the contrary, imports into the Community from Eastern Europe have been heavy, especially during the first couple of months of the year; during the last couple of months imports dropped, but over the last fortnight they have risen again to such an extent that this also has helped to account for the measure already referred to, of discontinuing the issue of import licences for a period of 14—not 10—days, while discussions go on with the exporting countries.

It is certainly not true (this is in reply to Mr Frehsee) that this measure will in itself have a great impact on market conditions. Not at all; relatively speaking, this is quite a trifling measure. Besides, we can reach agreements which help with market reorganization. As I have already said, we shall not look to imports for this; we shall have to take a number of measures of the kind which will enable our intervention system to function normally. And I should like to make plain, Mr Frehsee, that it was far from my intention to express rejoicing over the fact that we shall be taking in 100 000 and presently 200 000 tons of beef, but if this should indeed happen, we must regulate the business in such a way as once again to get the most out of it at a time, which is probably not far away—one can never be dogmatic about this—when shortages occur again. This is certainly not possible while we are continually intervening in the way we are doing now. Other methods, other techniques must be developed; this is however not at all easy or it would have happened long ago, and certain possibilities must be created in this context. These are now being studied.

But please understand that I would rather not have a single kilogramme in stock, of meat and beef at any rate—I am not referring to anything

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else—than have such stocks as these. In one way or another it influences the market and fortunately we have not thus far had a crisis in the meat sector in the Community. This is the first, and it was unexpected but here it is. Happily we are not having trouble with the dairy sector; here, the opposite is the case, and perhaps this opens up the possibility of an easier solution financially too. Despite these quite radical measures in the beef sector I still do not think we shall be obliged to apply for a supplementary budget for the European Agricultural Guidance and Guarantee Fund. And I hope we can make ends meet this year without such a budget and without having to answer to Parliament for it. After last year I should in any event like to try to skip a year.

To Mr John Hill I should like to say that we must certainly examine the question whether a system of direct help to production will help us in this sector in the future—a thing I am quite open to—but the instruments available to us at present do not cover these possibilities. I did, however, want to warn against taking too facile a view of this and to say: let prices drop below the intervention price level and pay the farmer the difference between the intervention price and the market price. In the first place there is no foretelling how much this will cost, but we must also clearly realize that in such an event it is not only beef prices which drop, but that the prices of pork, lamb etc. follow. In the United Kingdom it has been possible to work with this in the past, but there a kind of deficiency payment system existed for all kinds of meat. It is not possible to apply such a measure to one kind of meat and not to another. One has to be consistent in these matters. If you want to change something, you have to do it all along the line; but you cannot just say, in an *ad hoc* way, half way through the year and in the midst of the difficulties: we now take this action. And I take the view that, should the British Government be for any reason obliged to say that it wants to give its farmers greater security—an intention I would in no way question—we should try to procure this security by Community measures. We are beginning to get fed up with national measures of this kind. *(Applause)*

President. — Thank you, Mr Lardinois.

This item is closed.

6. Oral Question without debate: Relations with Mediterranean Countries

President. — The next item is Oral Question without debate by Mr Memmel to the Council

on relations with the countries of the Mediterranean Basin (Doc. 34/74).

In agreement with its author, I shall now read out the question:

The Community has given a formal undertaking to conclude a new agreement with the countries of the Mediterranean Basin as part of a global approach to those countries.

1. Can the Council state why the date fixed for the fulfilment of this undertaking—1 January 1974—has not been observed?
2. What is the present state of negotiations with the countries concerned?
3. Can the Council state when it will take the measures it has undertaken to take?

I would remind the House that the provisions applicable in this case are those of Rule 46(3).

I call Mr Memmel to speak to his question.

Mr Memmel. — *(D)* Mr President, I should like to utilize the ten minutes the agenda allows me to add one or two basic questions to this inquiry.

Mr President, I tabled my question on 20 March 1974, which is exactly 14 weeks ago. It went in on 21 March and was dated and signed by an official sitting on my right. On 2 April it reached the Bureau, from which point on the Council had the so generously calculated time of six weeks. The Commission had but one week, the Council six. But six weeks being a generous time to allow, it is not too much to ask that it should be adhered to, and not let it run on to twelve or fourteen weeks. I admit to responsibility for the delay of the last fortnight, because I had to travel from Strasbourg to Bonn on 11 June in order to appear there. But twelve weeks' wait between handing in a question and getting the answer is just too long for a political issue, and I am sure you will agree that after twelve weeks most questions have become dated and irrelevant.

In connection with this inquiry—and this is the point I am coming to—something remarkable has occurred. I had formulated it at a time when it could be assumed that the political problems of the Middle East would be settled by Kissinger and Gromyko or Nixon and Brezhnev alone, whilst we, Members of the Community, who are much nearer to the theatre of events and more closely affected, would be standing by as mere spectators. Meanwhile something has happened. There have been conferences, a Council meeting, and I should therefore be grateful if the President-in-Office of the Council had something new to say in this matter despite the very dated question.

President. — I call Mr Wischniewski.

Mr Wischniewski, President-in-Office of the Council of the European Communities. — (D) Mr President, I should like to answer the question on behalf of the Council as follows:

Mr Memmel's question corresponds in essentials to Written Question No 727/73 tabled by Mr Baas, which has already been answered by the Council.

As regards the first part of Mr Memmel's inquiry, I should like to describe briefly how the position has developed so far.

In June 1973 the Council carried out its intention to issue directives to the Commission for negotiations for the conclusion of agreements with Israel, the countries of the Maghreb and Spain, within a framework of global arrangements. The Commission was able to begin negotiations with these countries by July 1973. After pursuing them during September and October 1973 the Commission submitted a report to the Council in October 1973 on the results of these negotiations, and at the end of November 1973 a recommendation that supplementary directives be issued in view of the conclusion of the negotiations.

Owing to the questions which remained open in connection with the formulation of these supplementary directives on negotiation, and to the difficulties of various kinds confronting the Community during the last few months, the negotiations on the planned new agreements with these countries could not be concluded.

In reply to the second part of the question I can advise you that during the negotiations pursued by the Commission during July, September and October 1973, the parties concerned were able to define their viewpoints on the various fields covered by the planned agreements, and at the same time to ascertain that there was a wide concurrence of views on the general structure of the proposed agreements. However, a number of questions were shelved for the time being, and the wish was expressed that the Community should improve on its offer. For this reason the Council is now working out supplementary directives on negotiation for the Commission.

Replying to the third part of your inquiry, Mr Memmel, I must say that in the meantime the Council has energetically continued working out the supplementary directives for negotiation and was able to record further progress at its meeting of 1 and 2 April 1974. At this meeting it also advised the Committee of Permanent Representatives to work out as soon as possible

the essentials of an overall solution to the remaining open questions in connection with the drawing up of these supplementary directives for negotiation aimed at the conclusion of new agreements with Israel, the countries of the Maghreb and Spain, and also for a revision of the agreement then in force on association with Malta, following the enlargement of the Community, and an extension of this agreement to cover agriculture and cooperation.

Since April further work has been done on these lines at several Council meetings. Recently, at its meeting of 25 June 1974, the Council was able to record substantial progress. It therefore instructed the Committee of Permanent Representatives to draw up new directives for the Commission in the light of its considerations, so as to enable the Commission to resume negotiations with Algeria, Israel, Malta, Morocco, Spain and Tunisia before the summer holidays.

President. — Thank you, Mr Wischniewski.

This item is closed.

7. Oral Question with debate: Conference on the Law of the Sea

President. — The next item is Oral Question with debate by Mr Brewis on behalf of the European Conservative Group, on the Law of the Sea. It is worded as follows:

The Council is asked whether they have reached a joint approach to problems discussed at the Conference on the Law of the Sea at Caracas and whether they will state their position on the following questions:

1. The extension of territorial waters;
2. The protection of existing fishing and navigation rights in such waters;
3. The ownership and rights to exploit minerals beneath the sea;
4. The measures to be taken to control pollution?

I call Mr Brewis to speak to his question.

Mr Brewis. — Mr President, it is very disappointing that so far there has been no dialogue between our Parliament and the Council of Ministers on the many important items on the

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agenda of this important conference at Caracas. A fortnight ago Mr Concas asked a question, but the person in office was not able to give any substantial reply although he did promise us a better answer at this part-session, to which, of course, we are looking forward. At an earlier part-session I asked a question on the same subject and even though a lengthy memorandum was received from the Commission as early as March, I was told that the Council had not even got down to considering the subject. We are concerned at the dilatory nature of the Council's procedure and if this is due to disagreements between our Member States, I hope the Minister today will tell us frankly what these disagreements are.

Mr President, we are faced with what one might call sea colonialism, which is what unilateral extension of coastal jurisdiction amounts to. Some might even call it piracy when established rights of fishing and navigation are interfered with. A conference to re-establish a rule of law is, therefore, vital. Most of the developed countries are satisfied with the present position which was reached at the Geneva Conference in 1958; but other countries, notably Iceland and Peru, seek far more extensive rights in their adjacent waters. Both sides must be prepared at this conference to resolve problems in a spirit of compromise. If we can reach a common position on many subjects of the agenda, the Community's hands will be greatly strengthened in negotiation.

Two-thirds of our world is covered by the seas and the oceans. If an exclusive economic zone of 200 nautical miles is decided on, the European Community—even excluding Greenland from the calculations—will gain an extra 2 million square kilometres, and Latin America, Africa and Australia will gain even more. But outside the proposed exclusive economic zone there will still be vast areas of ocean, often quite shallow, which could be exploited. Modern techniques of mineral exploitation, which will surely improve as the years go by, already make it possible to work at depths of up to 3 000 metres. Does the Council of Ministers agree that these resources under the high seas belong to mankind in general, including those who live in landlocked countries? It is very easy to propose an international agency but how does one turn idealism into practice? Freedom of navigation and, of course, over-flying rights must be insisted on in any arrangement reached at Caracas. Will all ships be covered—both merchantmen and warships? If not, certain countries controlling straits can economically throttle other states whose political régime perhaps they disapprove of. Fishing disputes bring out the worst in nations' characters. Everybody agrees that fishing stocks must

be conserved, but not at the expense of the livelihood of whole communities. Although this is not immediately relevant to Caracas, there is great fear of a Community common fishing policy. This fear is responsible, for example, for Norway not joining the Community and it has also meant the loss of several seats in fishing areas for the last pro-European government in the United Kingdom.

Mr President, the common agricultural policy does not allow a farmer in one Member State to harvest his neighbour's grain. This would, of course, be completely absurd; but for fishermen, it seems exactly what the common fishery policy authorizes in relation to our crops of fish. I hope the Community will be extremely sensitive about fishing rights, while welcoming the increased possibility extended territorial waters give of enforcing conservation measures such as quotas for catches.

My final point concerns pollution. Will the Council do all it can to press for the acceptance of a new convention on controlling pollution from the seabed? Should we continue to allow radioactive material to be dumped? And are underwater oil pipelines really secure from fracture or erosion? Will we avoid the possibility of a worse disaster than happened 10 years ago in connection with the tanker, the *Torrey Canyon*? Even if we could only get regional agreement to a new convention, that would still be a great step forward. In my question I have asked for information on four specific points which seem to me the most important of many items on the Caracas Conference agenda. They are: the extension of territorial waters, fishing and navigation rights, the exploitation of minerals—which of course includes minerals in the EEC—and the question of pollution. If there are disagreements in the Council, I hope the Minister will let us know what they are; for if nine like-minded countries, as we have in our Community, cannot agree, what hope is there for agreement among the 149 delegations represented at this most important world conference?

(Applause)

President. — I call Mr Wischniewski.

Mr Wischniewski, President-in-Office of the Council of the European Communities. — (D) Mr President, Mr Brewis' question concerns Community preparations for the third Conference on the Law of the Sea opened in Caracas on the 20 June.

May I remind you that, at its meeting of 4 June 1974, the Council agreed on the following points,

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with a view to presenting a 'joint approach' at the Conference.

For all questions falling within the competence of the Community a Community standpoint will be formulated by customary procedure; as regards economic issues or questions which could have a bearing on common policy, the Member States will agree among themselves in the presence of Commission representatives—particularly in Brussels, but also in Caracas.

Furthermore, the experts for the Member States represented on the 'Seabed committee', the body which was preparing for the Conference, regularly discussed their viewpoint with the Community representatives, both in Geneva and New York as well as in Brussels since February 1972.

This research was more particularly concerned with fishery problems, namely, the problems of fishing rights dealt with by the committee, in waters adjacent to territorial waters.

The problems of marine pollution were also examined at this meeting especially the basic principles of marine pollution control, as well as the apportioning of authority in this matter as between coastal and other states.

Furthermore, the role, competence and structure of the international authority which is to be responsible for control of the international zone of the seabed are now being examined.

This work is taking place mainly in Caracas, during the coordinating meetings; it is based on the Council decisions of 4 June of this year to which I alluded at the outset.

President. — Thank you, Mr Wischnewski.

I call Mr Seefeld to speak on behalf of the Socialist Group.

Mr Seefeld. — (D) Mr President, ladies and gentlemen, the questions which were discussed at the Conference on the Law of the Sea in Caracas are of vital interest to the states of the European Community—hence to the Community itself. I have heard what the Council President stated here, and would like to make a few observations.

If the Council committed itself in an agreement on 4 June 1974, this was in my view a last-minute decision and very late in the day. To the best of my knowledge we were aware since 1969 that this conference now being held in Caracas was due. Even the subject-matter for discussion has been known for quite some time.

It has just been pointed out that the questions which fall within the terms of reference of the

European Community are being dealt with according to the usual procedures, by adopting a joint approach. I was not, however, able to ascertain from the statement I have just heard whether a joint approach can be defined.

The other 107 States represented at this conference are sure to be filled with misgivings if the full disunity of Europe is displayed at the Conference table. Without a minimum of externally visible common agreement, the objective common interests of the European States cannot, in my view, be vindicated.

Mr President, ladies and gentlemen, I am of course aware of the fact that the EEC Treaties do not define any formal Community responsibility in respect of all the matters dealt with in Caracas. Nevertheless, the fact that the date of this conference has been common knowledge for a considerable time should have provided sufficient reason for transferring the needed powers at an earlier date than this. In this connection, let me recall the common policy on sea transport which, under Article 84 of the EEC Treaty, was to be transferred to the Community. The Parliament will presently be called on to take up its stand on this.

Mr President, let me repeat, the Community is concerned with all the issues discussed at the conference, and if the goodwill is there, legal means could be found to ensure an active participation.

I am thinking in this connection of the following problems. The mining of manganese ore on the seabed concerns the European Coal and Steel Community; moreover, the projected seabed statute has special significance from the point of view of aid to developing countries.

In the matter of fisheries and marine pollution control, certain powers already exist. In the light of Article 84, the Community aspect of sea transport already presupposes the cooperation of the Commission. Under these circumstances we cannot really accept that the Council should so far have limited itself to matters of procedure. It is of the greatest importance that decisions on content should also be made forthwith.

Mr President, let me please in conclusion briefly define the following requirements. I do not think it is too late to present a united front at Caracas with well-defined priorities. I would therefore demand that, in the first place, the Communities should make a real effort at making common cause over all questions dealt with at the conference; in the second place, the 'aid to developing countries' aspect of seabed exploitation must be defined and incorporated in the

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general programme of aid to developing countries. The Communities must therefore be treaty partners in any agreement on the exploitation of the seabed. In the third place, the European Parliament should take a stand on all questions handled at the conference, and without impinging on the competence of the Commission, Parliament should ask that the priorities defined in the European Parliament be accepted by the Commission. In the fourth place, Mr President, it is to be desired that the appropriate parliamentary committees (which I think are in the first place the Committee on External Economic Relations and the Committee on Regional Policy and Transport) should submit reports on the questions which fall under the undisputed competence of the Communities. In the fifth and last place, all other problems should be gone into at the next colloquium to take place within the framework of foreign policy cooperation between the members of the conference of foreign ministers and the Political Affairs Committee.

Mr President, ladies and gentlemen, the conference in Caracas must be a call to us to put the unity of the Community to the test, and to ensure for the future the welfare of our citizens which depends on the proper use of the seas. On the other hand, the Community as such bears a great responsibility towards the states of the Third World and any agreements must be so devised that the Community makes a visible contribution to the living conditions of the peoples of the Third World. On the basis of these guiding principles or guiding lines a joint position should be reached for all members of the European Community.

President. — I call Mr Concas to speak on behalf of the Socialist Group.

Mr Concas. — (1) Mr President, honourable Members, I have already had occasion more than once to comment on this problem. The first time this was through a question in which I asked the Commission and the Council whether they were willing to keep Parliament better informed on any problems discussed at the Conference on the Law of the Sea, and later through a resolution submitted on behalf of the Legal Affairs Committee, which was adopted by the House.

After that there were no further developments. It therefore seemed to me that Mr Brewis' question came at the right time. I am pleased to hear that the Council was able to reach an agreement on procedure. We do, however, think the Council should inform us also with regard

to the problems now being studied in connection with the international conference in Caracas. As you will of course realize, these are questions of the greatest importance and, particularly as regards those which fall within the Community's terms of reference, I think we cannot do less than open a debate on them in this House.

The Council's reply therefore satisfies me only up to a point, because we should have preferred to see a fuller debate held here at which the problems which concern the Community would have been gone into more fully. We are pleased to see that the Community is closing the ranks and taking a united stand; it would however have been nice to know on what points we are agreed, and also—if that should be our misfortune—those on which we have failed to reach agreement, so that any responsibility there is can be pinned where it belongs.

President. — I call Lord Chelwood.

Lord Chelwood. — Mr President, I am very pleased indeed that my colleague and friend Mr Brewis raised this question today. The subject is a very important one and I think too little attention has been paid to it in the Parliament. I thought Mr Brewis made a positive and constructive speech.

I agree with him that the Council has been dilatory about this matter. We have known for many years that this great international conference of more than a hundred nations was going to take place, and it still appears that there is no consensus of opinion between the nine Community countries. So I express a sense of disappointment with the reply of the President-in-office of the Council of Ministers. I did not think he was very forthcoming or particularly constructive. And I am not quite sure what he meant when he said that the Council would be reaching its conclusions according to customary procedure. I hope to goodness this means a really strenuous effort will be made. This rather goes back to the question which I asked this morning, on reaching a consensus of opinion so that the Community can speak with one voice in this extremely important conference.

I want, in the very short time that I am going to speak, to say something about the question of conservation as a whole. I think everyone will agree that damage is done to fishes not only by over-fishing, by the taking of excessive catches and by too many fishing craft being employed (which can to a certain extent, of course, be controlled by quotas, as Mr Brewis said, though it is hard to ensure that they are always complied with) but important damage

Lord Chelwood

can also be done by the use of methods which are contrary to conservation.

Breeding stocks can be destroyed both within and outside territorial waters by the use of methods of fishing that are not consistent with sound conservation. There are many examples of this which will quickly occur to my friends in the European Parliament: for instance, salmon fishing, the dispute that arose between Britain and Denmark because of the excessive catches of salmon taken at sea by the Danes, and the eventual agreement between Denmark and Britain after several years of difficulties that they would limit their catches. We suffered ourselves from the fact that foreign vessels—and British vessels too—were using fine-mesh nylon nets fairly closely inshore of famous salmon rivers in the United Kingdom and taking so many fish that they were damaging the livelihood of the netmen and of those who like to fish for salmon with rod and line. We were able to deal with that problem. The question of salmon fishing is, of course, an international problem and it certainly deserves careful consideration at this great conference.

Nothing has been said about what is commonly called long-lining for tuna fish: miles and miles of line, with thousands and thousands of baited hooks, catching vast numbers of tuna in the open seas. The Japanese are the worst offenders here. If this practice is allowed to go on at its present rate, it could very well damage the tuna fishes to such an extent that a very important source of food would be lost and a great many people would lose their livelihood. I hope this aspect of conservation in the deep seas for this big-game fish will also be looked at and that a genuine attempt will be made to reach international agreement.

Lastly, under the heading of conservation, I would like to draw attention to the fact—and Mr Lardinois will remember that this is something which has been bothering me for some time, regarding which he was exceptionally helpful—that conservation within territorial waters is also extremely important. A great many territorial waters around the Community countries have been seriously over-fished. For example, the eastern North Sea grounds, which were great grounds for fishing for sole, have been practically denuded of fish through the use of great trawlers carrying heavy beams, sometimes too heavy, and as many as seven heavy chains, known as 'tickler chains'. In one recent case I understand the total length of the chains which preceded the net amounted to 700 feet, and their weight was five tons. When you couple these with what are called 'chain bellies' which plough up the seabed down to a depth

of at least 10 inches and perhaps even a foot, the whole ecology of the breeding grounds of these flat fish can be totally destroyed. We might well find, if such methods were permitted on a wide scale, that we would be losing a very valuable source of food and a large number of people who depend almost entirely for their livelihood on inshore fishing would find themselves out of a job because trawling becomes extremely difficult once the seabed has been ploughed up and great rocks have been removed from the seabed by the use of these heavy beams with their claims.

Mr Lardinois showed himself very understanding about all this and he has been extremely helpful. In the United Kingdom we have banned beam trawling, with some minor exceptions, within the waters where we have sole jurisdiction and I am sure we were right to do so. France did so a number of years ago and their maritime councillor made it absolutely clear (and I am quoting from a letter which he wrote) that fishing by beam trawlers is forbidden in French territorial waters because it has destructive effects on the seabed, particularly on the biological resources of the seabed, which are disturbed, especially the benthos.

I simply wanted, in these very few words, to draw attention to the fact that conservation must be the key note of this conference and to say how very much I hope that the Community will be able to reach agreement on proper methods of conservation so that we can preserve the very great heritage that the seas have, which could so easily be destroyed if we lose sight of the importance of efficient conservation.

President. — I call Mr Wischnewski.

Mr Wischnewski, President-in-Office of the Council of the European Communities. — (D) Mr President, if I were a Member of the European Parliament, I would also have to describe the answer I am giving on behalf of the Council as quite unsatisfactory.

Mr Seefeld. — (D) Quite true!

President. — I call Mr Wischnewski.

Mr Wischnewski. — (D) Attention must be drawn to the following:

No one will dispute that there are differences of opinion among members of the Community on a number of questions. I am however optimistic as regards the possibility of smoothing out these differences within the framework of the permanent contacts which are taking place in connection with the Caracas Conference.

Wischniewski

In the second place we would ask you to bear with us if we do not now openly put forward the joint position on the many issues over which the Council has reached full agreement; we feel that this should be done only in the course of the negotiations there, since we do not think it would be right to lay our cards on the table in advance when it comes to certain difficult problems. Negotiations require a margin, room for manoeuvre, so as to achieve the best that can be obtained for the Community in this context.

Like the honourable Members of the European Parliament, we take the view that the Caracas Conference is of vital interest to the Community. I do however think that there must be misunderstandings as regards the moment when work was begun. With all the available information in mind I must assume that the preparatory work within the framework of the Community, the Council, was begun at a very early date.

Also, I am assuming that all the questions raised in fact concern the Community, but that the powers which would be needed are not everywhere available, and that today a number of questions have been raised here which lie outside the Community's terms of reference.

I nevertheless take the view that here also, as in the case of those other problems which fall within our terms of reference, we must endeavour to seek a joint Community approach, and we have, I think, in the meantime proved in other spheres that this is possible.

A number of proposals have been submitted to the Council. The Council will examine these proposals from Parliament with great care and will advise Parliament accordingly.

(Applause)

President. — Thank you, Mr Wischniewski.

I call Mr Brewis.

Brewis. — Very shortly, Mr President, I would like to thank the Minister for attending our debate. As he said, his answer was unsatisfactory but he was a bit more forthcoming later and I was glad of that. I would also like to thank all those who took part in the debate. It is a good augury that in the early days of the conference we have reached an agreement on a procedural matter; I hope we shall get many more agreements before the conference is finished.

President. — Does anyone else wish to speak?

This item is closed.

8. Membership of committees

President. — I have received from the Liberal and Allies Group a request for the appointment of Mr De Clercq to the Committee on External Economic Affairs and Mr Rossi and Mr Nielsen to the Committee on Agriculture.

Are there any objections?

The appointments are ratified.

The proceedings will now be suspended until 3 p.m. The House will rise.

(The sitting was suspended at 1 p.m. and resumed at 3.10 p.m.)

IN THE CHAIR: LORD BESSBOROUGH

(Vice-President)

President. — The sitting is resumed.

9. Draft estimates of the European Parliament for 1975 (vote)

President. — The next item is a vote on the motion for a resolution contained in the report by Mr Gerlach on behalf of the Committee on Budgets on the draft estimates of revenue and expenditure of the European Parliament for the financial year 1975 (doc. 156/74).

Does anyone wish to speak?

I call Lord Gladwyn.

Lord Gladwyn. — I have one small question to ask. I have been looking through this important document and it does seem to me that it would be of interest to know where we can find the precise financial provision made for the expenses of the proposed visit of a delegation from the European Parliament to South America and the various Asian countries which is going to take place, I believe, during the current financial year. I really want to know where I can find this and to know what estimate has been made for the expense.

President. — I call Mr Gerlach.

Mr Gerlach, rapporteur. — *(D)* I apologise, Mr President, for being unable to give you the precise financial provision at this moment. You will however find the travel and subsistence expenses for meetings and conferences under Article 100, Item 1004, of the estimate of expend-

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iture. The estimate is derived from a comparison between the expenses for 1974 and those for 1975; there has therefore been no increase in this item, since on the current budget the estimate is adequate for 1974. These expenses are therefore laid down for Members of Parliament along with the normal travel allowances for officials which are entered under another budget item.

President. — I call Mr Blumenfeld.

Mr Blumenfeld. — (D) Lord Gladwyn's question leads me to put a supplementary question which I should also like to ask Mr Gerlach. Does he then take the view that—even if it be formally correct—the appropriation in the draft estimate will not exceed that for last year if this visit is undertaken, of which this is anyhow the first I have heard. Does he take the view, bearing in mind the economy we have to observe, that such a visit by the European Parliament is really necessary? Have we not other things to do than to spend on that scale over this business?

May I put a second question to the rapporteur—I am not a member of the Committee on Budgets and I therefore putting this question in connection with the matter in hand. I should like to ask Mr Gerlach whether the current administrative expenditure entered under Chapter 23 for operating expenditure bears some proportion to the services which Members of this Parliament can and may expect.

I should like to draw your attention, Mr President, to something which has struck me recently, namely, that a telegram arriving here during the morning of a working day did not reach my delegation till six hours later. It seems to me almost unbelievable that within this House, this administration, telegrams should take so long to reach their destination. Hence the question about the relationship between the services of this House and its expenditure.

President. — I call Mr Gerlach.

Mr Gerlach, rapporteur. — (D) Firstly I am, as the House is aware, personally inclined to favour a tight budget, but the decision on the question of the visit—on the one hand to Bogota and on the other, to South-east Asia—is up to the Bureau. I would not presume to criticize it.

In the second place, as regards the internal running, I regret having to put on record that hitches have occurred here and there which the Sub-Committee on the Budget of Parliament

has looked into at certain stages. The sub-committee in fact managed to introduce some improvements. This is however the first time I have heard of this incident; otherwise I would have concerned myself with it in the meantime.

I therefore apologize for being really unable to say what was the reason for this delay; but your indication alone is a guarantee for the fact that the next telegram will take, we hope, six minutes to deliver instead of six hours.

President. — I call Lord Gladwyn.

Lord Gladwyn. — Mr President, I understand that these sums are concealed in the figure of 2 284 000 units of account under Chapter 10, which covers all travel and subsistence allowances. This equivalent to nearly £ 1 000 000 sterling if my arithmetic is correct.

I also understand that the decision to send a rather large delegation to South America and many countries of the Far East was taken by the Bureau. Is the Bureau authorized always to take these decisions without any consultation with the Assembly as a whole? I should have thought that the Assembly might have had some kind of views to express on whether this expenditure is justified or not.

Surely it might be consulted in some way at some point, or can the Bureau always decide these points entirely by itself? In any case, could the rapporteur perhaps tell us by the next part-session exactly how much these particular two expeditions are going to cost in terms of units of account? I very much hope in fact that he will be able to circulate this information before the next plenary session.

President. — I call Mr Gerlach.

Mr Gerlach, rapporteur. — (D) Many thanks, Lord Gladwyn, for this indication and for the demand which I shall gladly meet. It is however a fact that decisions on visits are taken not by the Bureau but by the enlarged Bureau; such visits are projected for the year 1975, as they were for 1973 and for this year too—to Bogota. Parliament itself in plenary session has never concerned itself with this decision; it has remained up to the Bureau and the group chairmen, i.e. the enlarged Bureau.

I should be quite happy to let you have the detailed figure of expenses when the budget is finally adopted, i.e. the expenditure on travel during the year 1973-74 and the estimates for 1975, and on my own account I would even suggest submitting these figures to the individual groups before a decision is reached on the

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budget, so that the groups themselves can prepare for the final decision.

President. — Does anyone else wish to speak?

I confirm what Mr Gerlach says about the decision of the Bureau and all the political groups agreed to this expedition to South America.

I would also like to thank Mr Gerlach for having been so able a chairman of the Sub-Committee on the Budget of Parliament. I can confirm that every item was analysed very carefully and also considered by the Committee on Budgets as a whole.

I put the draft estimates to the vote.

The draft estimates for 1975 are adopted.

I now put to the vote the motion for a resolution as a whole.

The resolution as a whole is adopted.¹

Pursuant to Rule 50(6) of the Rules of Procedure the draft estimates of the revenue and expenditure of the European Parliament for the 1975 financial year will be forwarded to the Council and Commission of the European Communities.

10. *Setting up of a Public Accounts Committee in the European Parliament*

President. — The next item is a report drawn up by Mr Manfred Schmidt on behalf of the Committee on Budgets on the setting up of a Public Accounts Committee in the European Parliament (doc. 138/74).

I call Mr Pounder to present the report.

Mr Pounder, deputy rapporteur. — Mr President, I find myself, to say the least, in a somewhat difficult situation in that I am speaking on a report without having had the opportunity of hearing the rapporteur present it. Be that as it may, I would certainly very warmly commend the motion for a resolution to this House. I regard the establishment of a Public Accounts Committee as a most welcome step forward. In saying this, I speak not merely on behalf of my group but also myself, because it was, in fact, the European Conservative Group, just over a year ago, in May of last year, which first put forward in print the idea of a Public Accounts Committee, and it was entrusted to me on that occasion to advocate the case. I am,

therefore very happy indeed to see this report here before us today.

I am bound to say that I think, in the light of experience, that it will be found both necessary and desirable that this Public Accounts Committee should in fact be a committee in its own right. I know that the report suggests, and rightly so at this stage, that it should be a sub-committee of the Committee on Budgets, but if it is going to do its job fully and effectively—and time alone and experience are the only yardsticks by which we will be able to make any judgment—I would not be at all surprised if, in a year or so's time, there will be a motion before this House suggesting that this Public Accounts Committee be a fully-fledged committee in its own right.

In paragraph 4 of the motion for a resolution, the guidelines of duties and responsibilities envisaged for this committee should, I believe, commend themselves most warmly to this House.

I know, Mr President, that when I started out a year ago on the Public Accounts Committee line, we were thinking particularly of the examination of expenditure which has been incurred; but if we look at the 1972 Budget and relate the estimates of that budget to the actual expenditure incurred, we will find some quite startling divergences. In a number of cases, the surplus of estimate over expenditure actually incurred was in the range of 10 to 50% above that which had been estimated. In fact, this occurred in roughly one quarter of the total number of the chapters of the budget, and I would, therefore, respectfully suggest that pursuing cases of apparently poor estimating should become a legitimate task for the Public Accounts Committee. There is nothing in this resolution which would preclude that, and I believe, therefore, that the Committee will find itself being involved in a study of estimates as well as actual expenditure incurred.

I well recall, Mr President, my belief a year ago, which I reiterate today, that the primary concern of a Public Accounts Committee should be the full and effective examination and investigation of expenditure which has been incurred. I am bound to say that while my view on this has not altered one iota, I do feel that, in the light of the apparent overestimating of expenditure requirements, the Public Accounts Committee should consider and examine these estimates in due course.

I realize that queries have arisen from time to time on transfers from one chapter of the budget to another, that they have caused disquiet in this House in the past, particularly if conse-

¹ OJ No C 85 of 18. 7. 1974.

Pounder

quential amendments to relevant chapters and titles have been made without reference back to Parliament. All this will fall within the scope of the Public Accounts Committee, and once the nature of appropriations and their definitions have been determined, Parliament will, I believe, be in a position to require the external auditors to report to it in all cases where limits to expenditure have, in fact, not been observed.

I realize that this is an immensely powerful weapon in the hands of Parliament, but as one who has served for two or three years on the Public Accounts Committee in my own national Parliament, I believe that what we are being asked to set in train this afternoon is one of the most important financial steps forward that this Parliament has taken during its lifetime. It is a most valuable parliamentary tool. I do not for one moment believe that the Public Accounts Committee should concern itself with policy questions. What it should concern itself with is what has happened to money that has been expended. It is, in fact, a watchdog committee and, as I say, although it is starting out its life as a sub-committee of the Committee on Budgets, I should be very surprised indeed if the volume of work does not, in time, require its creation as a separate entity of this Parliament. I must warmly commend this report to the House.

(Applause)

President. — I call Mr Gerlach.

Mr Gerlach. — (D) Mr President, it is appreciated—and this refers to me personally—how you recalled that the Sub-Committee on the Budget of Parliament, on which you yourself have sat, has dealt very thoroughly with the problem of examination of the implementation of the budget, as limited to Parliament. It is apparent that the efficiency and capacity of this sub-committee, like that of the Sub-Committee on the Budget of the Communities, has become greater and more comprehensive, and that these committees have been learning to work more intensively and more effectively.

The question which has been raised from the outset was whether, in addition to the Committee on Budgets and its two sub-committees, a committee should be set up for checking public accounts. After careful consideration and consultation by the Legal Affairs Committee, but also in the Committee on Budgets we have come to take the view—and I say this also on behalf of the rapporteur, Mr Schmidt, who unfortunately is prevented from attending—that an improvement in the efficiency of the sub-committees would suffice, on the one hand to avoid overlapping—otherwise we would be

dealing with four committees: Committee on Budgets, Sub-Committee on the Budget of Parliament, Sub-Committee on the Budget of the Communities and Public Accounts Committee—and that on the other hand also (I have to bear our interests in mind here) we as Members of Parliament would be overtaxed if this additional committee were added to the claims on us. This is one point. The other point is that experience gained in the Federal Republic of Germany has proved to be on the whole feasible: there it was found that a Public Accounts Committee works best where it forms part of the Committee on Budgets. This puts it, from the first estimates of a budgetary process to its completion, in close contact with the budgetary procedures which come into play during the course of a financial year. For this reason I consider—and I am very grateful to Mr Pounder over this—that in this form the motion for a resolution will satisfy Parliament as a whole.

Please allow me a personal remark: that in fact the two sub-committees existed before Mr Pounder submitted his proposal, and have in the past endeavoured to elucidate the budget processes more and more. In the light of their activities during the time when I belonged to the Committee on Budgets of the European Parliament, it would be quite easy for me to show how this Parliament and the Committee on Budgets have asserted themselves more and more *vis-à-vis* the institutions and bodies of the Community in order to supervise the budget, as any Parliament should. The decisions we have before us of the Member States concerning budgetary powers, or, to be more precise, the strengthening of the budgetary powers of the European Parliament, lay down in binding form what we have already achieved. This naturally gives us greater scope for action, but the greatest, Mr President, still lies in the fact that Parliament itself takes every opportunity to exercise control, concerns itself with individual questions, even where these are awkward, even when, as the brief questions put forward have shown, Parliament itself has critical things to say about its own budget. It is therefore plain to me that the principle contained in the motion for a resolution can expect to meet with the full approval of the House. On behalf of the rapporteur and also of my group I ask you to adopt this motion for a resolution in its present form.

(Applause)

President. — I call Mr Cheysson.

Mr Cheysson, member of the Commission of the European Communities. — (F) Mr President,

Cheysson

the exercise of budgetary powers represents for any Parliament, but particularly the European Parliament, a large part of its powers and scope for action. You know how much importance the Commission attaches to it. The exercise of budgetary powers obviously comprises control of the implementation of the budget during the financial year and after. Mr President, you know that the Commission has always cooperated closely and in the best of faith with one of the more important parliamentary Committees, namely, the Committee on Budgets. Let me say at once that we greatly welcome this addition to the powers of one of the sub-committees of the Committee on Budgets, and that we promise our most wholehearted cooperation.

Control is one of the aspects we are concerned with, and over the last few months we have taken a number of initiatives on this, on the one hand within the framework of an examination of the budgetary powers of Parliament, recommending, with this House, that a European Audit Court be set up which would become an essential instrument of the European Communities, and on the other hand, by taking a number of internal measures. This is why, when the European Conservative Group proposed that a Public Accounts Committee be set up, we declared at once—it was on 9 May—that we welcomed this proposal with enthusiasm. This position was reiterated on several occasions by the Commission, particularly when it outlined the entire problem of budgetary powers and wrote to say how pleased it was at Parliament affirming its intention of setting up a Public Accounts Committee.

We are not concerned with the internal organization of Parliament's work. It is therefore with the greatest interest that we take note of the provisions recommended by the motion for a resolution and which are to be decided on by this House, if, as we hope, this excellent resolution put forward by Mr Schmidt is adopted. I shall therefore not comment on the distribution of powers between the committee and its sub-committees.

As regards the application of the provisions, let me recall a few points. On the one hand, Articles 205 and 206 of the Treaty give the Commission a direct responsibility in the implementation of the budget, and it is no part of our intention to seek to share this responsibility with others.

It is ours, and we are answerable to you for the implementation of the budget. However, this Sub-Committee on the Budget of the Communities (control of implementation) is assured of our fullest support, as I have just pointed

out, and the recommendations in paragraph 4 of the motion for a resolution which is submitted to you, as well as in paragraph 18 of the explanatory statement, seem to us, Mr President, to be quite in order. We on our part are ready to abide by these rules.

In more precise words, paragraph 4 of the motion for a resolution recommends the forwarding of all documents useful to the sub-committee. This was already being done for the Committee on Budgets and we of course confirm that the same will continue to be done for the sub-committee. As is proper we can commit ourselves only on behalf of the Commission. As regards the national administrations, the problem falls outside our scope and is of more interest to the Council.

Paragraph 4 provides also for the hearing of responsible officials or experts by the sub-committee; this was already being practised by the Committee on Budgets. On this point, I confirm that we are ready at any time to reply to the questions of this sub-committee, but this is subject to the rule (the chairman of the Committee on Budgets recognized this when we discussed the matter with him) that the application be submitted by the Committee on Budgets or by the sub-committee to the Commission, which is a collegial body with responsibility for sending its officials before a Parliamentary Committee.

Paragraph 4 also recommends the carrying out of inspection visits on the spot by the Committee on Budgets, or under the circumstances by the sub-committee. Theoretically, the right to do this has long been vested in the Committee on Budgets. This is still the case. Up to the present, the Committee on Budgets has not undertaken any such visits. Provided the application for it is submitted to us at Commission level, we would of course agree to any visit or inspection of our services. Naturally, both as regards this point and as regards the hearing of experts, the commitment I reiterate on behalf of the Commission is valid only for our services and would not apply to national administrations which fall outside our competence.

These, then, Mr President, are the practical measures which must enable the sub-committee to carry out the important tasks with which it is entrusted. As you see, the Commission will give its fullest backing to their execution. Will this lead to a change in the financial regulation, and more particularly of Article 90, as is indicated in the final paragraph of the explanatory statement? May the House form its judgment on this, and when it has defined its view on the point, the Commission will look into the condi-

Cheyssou

tions under which it can back up the proposal for amending the financial regulation. This is in any event necessary on a particular point: your text refers to the Audit Board and we think that quite soon, according to the recommendations you have submitted yourselves, this will be replaced by a higher body with the same or extended powers, namely the Audit Court.

In a nutshell, Mr President, the technical explanations I wanted to give on behalf of the Commission only serve to underline the general commitment we have undertaken from the outset, and more particularly when this House, one night in Strasbourg, decided to confer an important role on a Public Accounts Committee: to give that committee its wholehearted and enthusiastic cooperation.

President. — Thank you, Mr Cheyssou.

Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted.¹

11. Carrying forward of appropriations from the financial year 1973 to the financial year 1974

President. — The next item is a report drawn up by Mr Terrenoire on behalf of the Committee on Budgets on the non-automatic carrying forward of appropriations from the financial year 1973 to the financial year 1974 submitted by the Commission of the European Communities to the Council (Doc. 154/74).

I call Mr Terrenoire who has asked to present his report.

Mr Terrenoire, rapporteur. — (F) Mr President, honourable Members, I will not prevail on your time to present the report which is submitted to you, since the committee on Budgets is favourable to the non-automatic carrying forward of appropriations from the financial year 1973 to the financial year 1974, for the budget of the Communities. I must however underline the fact that this consultation has its importance. It serves to round off a series of consultations on the matters henceforth submitted to Parliament pursuant to the financial regulation of the Communities, enabling our institution to properly carry out its supervisory duty in the implementation of the budget of the Communities. This adds another stone to the building we are erecting; thus we are becoming better and better equipped as our Parliament consolidates

its powers. This is the aspect of the consultation which I would like to underline to you today.

In themselves, the non-automatic carrying forward of appropriations which are asked for are adequately analysed in the Commission's document. We have every reason to be pleased with them, and I will therefore not dwell on them individually. You will be in a position to check them in the written documents which are at your disposal.

On the other hand I should like to take the opportunity, Mr President and honourable Members, to underline how closely budgetary matters are interconnected. On this point, let me quote the following facts. The appropriations carried forward from 1973 to 1974 include, under Article 770, 170 million units of account which had been entered under the 1973 budget in order to enable the Commission of the Communities to decide the contribution of the EAGGF for the 1968-1969 accounting period. As the Commission of the Communities states, these appropriations could not be made use of. Indeed, the Commission decision could not be reached before 31 December 1973, owing to delays in submitting applications for refunds, and to problems arising out of the absence of provisions on Community parities. I am mentioning this carrying forward of appropriations because, as I remember, a year ago the Committee on Budgets had wanted to submit a proposal for amendment of the draft budget which added nothing to the total expenses, but which made partial use of the 170 million units of account intended for balancing the accounting periods prior to 1 January 1970. At this time, if I can trust my memory, the Commission had stressed that a carefully calculated expenditure estimate was involved, more or less obligatory expenditure. The request to carry forward throws much light on this assessment which, all things considered, puts a limit to this Parliament's power to amend the budget.

Mr President, honourable members, this example alone would provide your Committee on Budgets and, perhaps, as I believe, this House, which is preparing for the exercise of new budgetary powers as from 1975, with food for reflection. In the light of this example, I should like to ask the Commission whether it is not convinced, as we are ourselves, of the largely artificial nature of this distinction between obligatory and other expenditure, particularly where in the nature of things an estimate budget is involved. This example is eloquent enough, and I am awaiting the reply which the Commission will not fail to give.

To conclude, while thanking the Community and its Commission for the comprehensive justifica-

¹ OJ No C 85 of 18. 7. 1974.

Terrenoire

tion supplied in respect of each of the appropriations carried forward, I endorse the favourable opinion which the Committee on Budgets has given on this report.

President. — I call Mr Cheysson.

Mr Cheysson, member of the Commission of the European Communities. — (F) Mr President, allow me first of all to thank the rapporteur of the Committee on Budgets, and that committee itself, for recommending that the House should adopt the submitted carrying over of appropriations from 1973 to 1974.

Before I venture to comment on Mr Terrenoire's statement, allow me to say also that the suggestion put forward in the motion for a resolution, paragraph 2, is entirely acceptable to the Commission and that it is indeed necessary that our applications for the non-automatic carrying forward of appropriations be accompanied by a detailed memorandum on the main operations. You may rely on this being done with the greatest care in the future.

Mr President, Mr Terrenoire, whose memory is very good and needs no refreshing, recalled a particular point which had, in fact, been discussed a year ago, namely that of the 170 million u.a. which appear in the budget to balance the accounting periods prior to 1971, which we wish to see carried over from 1973 to 1974, since they went not spent in 1973.

I think a word of explanation is needed at this point. This sum corresponds to what is owing to governments under the EAGGF for the years 1968 and 1969. The position is that in 1973 we did not receive the expected requests for refund from these governments. The reasons why they have not enforced their claims is because, as the honourable Members of this House are aware, we are working within a system—or rather, a number of rather involved systems—for the calculation of parities, and that everybody has got lost in the maze. The governments concerned have therefore been unable to submit their regular claims and obtain the refunds to which they are entitled. We know the amounts involved because these have been worked out by joint calculation, and that is why these 170 million u.a. were not and are not available. This distinction between obligatory and non-obligatory expenditure has nothing at all to do with it!

I shall revert to the matter, because this distinction does not apply at all in the case of preceding budgets. The fact is that these 170 million u.a. were blocked until such time as the governments concerned could make good their claims.

Mr President, a situation like this is out of the usual. This is why the Commission proposed, and the Council decided, in Regulation No 2030/73, that after 31 December 1974 no refund could be granted in respect of assistance given before 1 January 1971. This is to say that it will not be necessary in the future to ask you to approve a carrying forward from 1974 to 1975: either the governments concerned will have submitted their applications for refund in due form by the 31 December 1974, or the claims will be foreclosed.

Leaving this particular point to which the rapporteur very rightly drew attention while dealing with the request for carrying forward appropriations, let us tackle the problem raised by Mr Terrenoire: the distinction between obligatory and non-obligatory expenditure. As I said just now, it is not just the problem raised by the particular case cited as example, but it is a closely related problem.

The more closely we look into this distinction, the more we realize that, as the rapporteur so rightly pointed out, it is an artificial one. Every expenditure in itself has aspects that are unavoidable, others that are not so. One may hear government spokesmen explain that, whereas an increase in the salary paid to an official of the Commission is obligatory, since it depends on a precise decision on a rate of increase, the salary itself is not obligatory because the official concerned might not exist. These are highly subtle distinctions which can give rise to the most intriguing Byzantine arguments when this Article 203 which results from the Luxembourg decisions has to be applied.

I am therefore in full agreement, and so is the Commission, with the observation which the rapporteur has made in this matter. This, Mr President, is one of the reasons why—and I make no secret of it—in the preliminary document on the strengthening of Parliament's budgetary powers, we had written that the Commission recommended that the category of expenditure described as non-obligatory should be progressively extended. This is what we are intending to do from budget to budget, and since it is up to the House itself, during debates on the budget, to draw the line between obligatory and non-obligatory expenditure, the statements which the rapporteur has made, presumably on behalf of the Committee on Budgets, leave us with the impression that the Parliament will take the same view as the Commission on this point.

President. — Thank you very much Mr Cheysson.

President

Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted.¹

12. *Directive on the release of goods
for free circulation*

President. — The next item is a report by Mr Schwörer on behalf of the Committee on Economic and Monetary Affairs on the proposal from the Commission of the European Communities to the Council for a Directive on the harmonization of procedures for the release of goods for free circulation (Doc. 119/74).

I call Mr Schwörer who has asked to present his report.

Mr Schwörer, rapporteur. — (D) Mr President, ladies and gentlemen, as rapporteur for the Committee on Economic and Monetary Affairs, I have the following observations to make on Document No 334/73.

Fifteen years after the setting up of the common market, Europe is still in every respect far from constituting a common economic sphere. Neither have the administrative formalities governing trade between Member States been abolished, nor has uniformity been achieved in customs regulations *vis-à-vis* third countries.

According to the Treaty we have for five years had a common external tariff with the same tariff rates for all Member States. Maintaining the customs clearance procedures, however, creates burdensome distinctions between the individual states. The result is that it makes a difference in which country customs clearance takes place. We have to conclude that the common tariff, equal for all states of the Community, exists only in theory. It is depressing for citizens of the Community to realize that the choice of where to import cannot be made from rational business considerations, but has to be determined according to the way customs formalities are carried out. With these differences in mind every importer in the Community is justified in asking what purpose the Community serves, if the common external tariff is in fact rendered null and void by the fact that national customs are maintained. The national customs bureaucracy is raising new customs barriers within the Community.

This is an intolerable state of affairs, and the European Parliament must be grateful to the Commission if only for the fact that it has made up its mind to take the initiative, in the matter of matching theory to practice. This is the

meaning of the directive. The explanatory memorandum says: ensuring uniform conditions of application of the Common Customs Tariff, duties having equivalent effect, agricultural levies and other charges for which provision is made under the Common Agricultural Policy. This to eliminate the unequal treatment of importers from country to country. It will, at the same time, abolish one of the possible causes of artificial movement of import firms.

Ladies and gentlemen, the Committee on Economic and Monetary Affairs greatly welcomes the fact that this directive is based on the most up-to-date national regulations—embodied in a common system—and we are therefore happy to find in the explanatory memorandum that this provision aims at cutting out all superfluous and costly formalities, without thereby compromising the orderly application of the common external tariff.

The Committee also greatly welcomes the fact that provision is being made for certain simplified procedures, which meet the needs of a growing economy and the methods used by modern administrations, particularly data-processing.

The committee is happy to learn that the Commission is showing a readiness to make use of the General Customs Procedures' Committee in the practical implementation of this directive, and recommends that as far as possible people with import experience be involved, so that the arrangements are matched to present-day realities.

Furthermore the committee urges that constant efforts be made to improve and simplify the provisions, because it considers that, in view of the rising import prices in the Community, anything which reduces the expense of importing goods into the Community can but rebound to the benefit of the consumer. Parliament would certainly like to see regular reports appearing on these improvements.

A special problem which has not yet appeared in our report has been put forward by our Italian colleagues in the committee. Let me say this about it:

In Italy special customs forwarding agents have been created for customs clearance. They are a public body headed by the vice-president of Customs. Customs clearance is a monopoly of these officials. According to Article 3 of the directive which we are dealing with today, however, any individual or legal person may in future make a customs declaration.

The Commission has declared its interest in Article 3 in its present form in the committee.

¹ OJ No C 85 of 18. 7. 1974.

Schwörer

The committee has therefore refrained from recommending any amendments to Article 3, but has asked the Commission to provide for a five-year transitional ruling for Italy after the directive comes into force. This is chiefly motivated by concern for the 30 000 Italian Customs agents affected by the directive. These are to be transferred to other duties during that time.

The directive harmonizes the procedures for the release of goods for free circulation. A further necessary link is still missing, namely the release of goods for duty-free circulation between the states of the Community. The Commission cannot take this step, since it lacks the power to make provisions for this under the wording of Article 10, paragraph 1 of the Treaty of Rome. Only the individual states can do this on their own account, and we think they ought to do it; they are urged, after this directive comes into force, to make every endeavour to ensure the release of goods for duty-free circulation. This equal treatment of Community imports by all countries would constitute an important further move towards the common Europe we are striving for, a move which would bring about a unity invulnerable to even the greatest political discord. Therefore the Council should, as it is urged to do by the Committee on Economic and Monetary Affairs, introduce this directive as quickly as possible. It will be an important milestone on the arduous road towards a Common Europe.

I thank the Commission once again and urge it to take further steps in this direction.

Ladies and gentlemen, I recommend that you adopt this motion for a resolution, on behalf of the Committee on Economic and Monetary Affairs and also in the name of the Christian-Democratic Group.

(Applause)

President. — I call Lord Reay to speak on behalf of the European Conservative Group.

Lord Reay. — Mr President, plainly this proposal of the Commission must be thoroughly welcomed for its basic purpose, which is to harmonize the procedures for customs clearance of goods entering the Community for free circulation through the different Member States. Non-uniform procedures result in quite different costs and charges for goods according to the Member State through which they enter the Community and this, of course, is quite unsatisfactory. It leads, as Mr Schwörer most clearly explained, to artificial deflections of trade and so forth. Therefore I think it is right to welcome these proposals, and like the rapporteur I hope

that agreement will be reached in the Council as rapidly as possible.

I have two queries which I should like to raise, the first of them on Article 3. Article 3 provides for clearance, that is to say provides that the person in possession of the documents and the goods who makes the entry and from whom the entry is accepted, must be a resident in the Community.

I should like to hear from the Commissioner how necessary he considers this requirement to be. For example, it would seem to exclude the possibility of someone who is entering the Community from outside and who is not a resident of the Community from receiving clearance himself for dutiable goods which he was bringing in with him and which were destined for free circulation in the Community. He would have first to get hold of an agent resident in the Community before entry could be accepted, and this would seem to be very restrictive. I am advised that within the United Kingdom, and I believe also possibly in some other Member States, this restriction does not apply. As a general rule I am in favour of new privileges being established for residents of the different Member States of the Community which will not be available to the residents of third countries. I see no other way to build up a united Europe except by sharpening the distinction between, on the one hand, the boundary of the Community with the rest of the world, and on the other, the boundaries between the Member States. The latter need to be weakened in relation to the former. But such privileges and restrictions must be reasonable and I should like to hear the opinion of the Commissioner on this particular aspect of Article 3.

My second query relates to Article 8. As I read it, the second paragraph of Article 8 requires that in cases where an entry has been presented before the arrival of the goods, the entry cannot be accepted until after the goods have arrived. Now this is not the practice in the United Kingdom. In the United Kingdom entry may be made and accepted on payment of duty, with certain exceptions, up to four clear days before the date of the reported arrival of the ship or the aircraft. It is felt therefore, that adoption of the Commission's proposal in this respect would seriously impede the clearance of imports into the United Kingdom and presumably into any other Member State which had these more liberal provisions.

A cynical person might wonder why at the present time the United Kingdom authorities should object to a measure which acted as an obstruction to imports, but generally speaking

Lord Reay

there must be a reason why we prefer what, on the face of it, looks like the less efficient of two alternative administrative systems and therefore I should like to hear what the Commissioner can say on this point as well.

Mr President, that is all that I wish to raise; I would simply like to hear what the Commissioner has to say. If there is a case for adopting on a Community basis the modifications which I have discussed or which would follow from what I have discussed, and if the Commission feels that there is such a case, and if by any coincidence, when this matter comes up in the Council the points are made which I have made today, then perhaps the Commission if called upon could consider some compromise on these points. Apart from that, Mr President, I thoroughly welcome these proposals and I hope that they will be enacted as soon as possible.

President. — I call Mr Van der Hek.

Mr Van der Hek. — (NL) Mr President, with regard to this report I should like to deal with one point in particular and this concerns Article 3 of the proposed directive.

Article 3 puts this question: who is empowered to make the declaration which releases goods for free circulation? In its proposal the European Commission has chosen an easy way and devised a very flexible ruling. In this connection I have two questions to ask: one question is addressed to the rapporteur, the other to the Commission.

The question to the rapporteur refers above all to the corrigendum which appears on his report and which is in particular concerned with paragraph 3, p. 6 of his report, and therefore, in my view, with Article 3 of the directive. In that corrigendum reference is made to the position of customs forwarding agents, who in certain Member States enjoy protection because they are registered; in other Member States no such ruling applies. If I have correctly understood the rapporteur's explanation, he wishes to allow this protection to continue for a period of five years in those Member States where it is the practice. In my view this would mean that for this period there would be no harmonization on that point. I must honestly say that I have misgivings about not introducing harmonization over one of the most important points of this ruling.

Hence my question to the Commission. Has the Commission considered whether to recommend a different harmonization on this point than the one it has, namely, to introduce in all the Member States a protection similar to that which now exists in certain of them? If, as may

be inferred from the formulation of the article, the Commission has not considered this, what is its view of the supplementary proposal which has just been submitted by the rapporteur concerning Article 3, which envisages allowing this protection, this discrimination, to continue for a certain period?

Thank you, Mr President.

President. — I call Mr Cheysson.

Mr Cheysson, member of the Commission of the European Communities. — (F) Mr President, the reading of Mr Schwörer's report and the hearing of his statement make clear to what extent the approach of the Committee on Economic and Monetary Affairs and that of the Commission converge, to the point of being identical. In spirit and inspiration I do not find the slightest nuance, whether it be on this particular subject, which falls within the scope of the Community, or on subjects relating to the release to the market of goods cleared for free circulation, which come within the scope of individual states, but concerning which we hope that these states will take appropriate measures at national level, as Mr Schwörer very rightly pointed out and as this is in any event explicitly stated under paragraph 20 of the Commission's communication of 21 December 1973.

The free circulation of goods throughout the Community is indeed very closely linked with the release for free circulation of goods, as was pointed out by the rapporteur and the preceding speakers. For the reasons stated in the Commission's document and by Mr Schwörer, it is essential that all inequalities be smoothed out, i.e. all those disparities which arise out of diverging conditions of release for free circulation, and which cause goods and business to be diverted from their natural courses or locations. It is therefore urgent that certain provisions existing in several of the Member States should be done away with, because they maintain in being a state of affairs which prevailed before the Treaty of Rome came into force.

I will now come to the more detailed points of this discussion and say that these general observations apply to the cases covered by Article 3 of our proposal, i.e. to the conditions of customs declaration. The protection of very respectable professions could not represent a barrier to progress, to the observance of Community rulings, some fifteen years—let us not forget that Mr Schwörer also drew attention to this—after Customs Union was established. We must anyhow point out that in those Member States where the profession of customs agent is not regulated, that is to say, in seven of the

Cheysson

nine Member States, this profession has never ceased to thrive. We therefore do not consider that what we are recommending should be in any way prejudicial to these professional customs agents. Their interests are not in any way threatened by the fact that importers have a free option of employing an approved customs agent or not and of having their goods declared by an individual or legal person of their choice, resident within the Community.

On this point therefore, Mr President, the Commission begs to differ from the rapporteur's view and, as Mr Van der Hek pointed out, to keep to the proposal it had made, to the effect that declarations can be made by any individual or legal person within the Community.

Lord Reay has put the question whether the right to make customs declarations should be restricted to individuals or legal persons within the Community. The reason for this is very simple and quite practical. Many goods cleared for free circulation are not subject to checks at the moment of clearance, but pass through controls at a later stage. This is a ruling which gives great flexibility. It would be disastrous to give it up and add to the weight of officialdom, but this rule obviously implies that the declarer has a direct personal liability, and for this reason we have to limit ourselves to customs agents within the Community.

Mr President, a further observation has been submitted concerning Article 8. Lord Reay has expressed surprise at the fact that the declaration should be made formally only after the goods have arrived, when it can have been presented before their arrival. We think it is wise to keep to this rule despite the modifications it may involve in certain Member States, because certain goods released for free circulation are subject to levies which are fixed periodically and sometimes at very short intervals. I am thinking, for example, of agricultural products.

It would never do, when such goods are released for free circulation, for us to leave the declaring party a free and arbitrary choice in the matter of selecting the date for releasing goods for free circulation motivated by a consideration of fluctuations of levies and other forms of taxation. For this reason we consider that we must stipulate a precise date for the acceptance of a declaration for free circulation, the obvious date being that of the arrival of the goods.

These, then, Mr President, are the reason why the text comprises the points which have been recommended to you, and which the Committee on Economic and Monetary Affairs wishes to see adopted, with one single exception on which we differ from the views of the rapporteur and of the committee.

President. — I call Mr Schwörer.

Mr Schwörer, rapporteur. — (D) Mr President, ladies and gentlemen, I should like to give a brief last reply to Mr Van der Hek's question. He is addressing himself to the later amendment to my report, which, as you correctly observe, concerns Article 3 of this directive.

In the Committee on Economic and Monetary Affairs, Mr Van der Hek, we concurred on the view that a transitional arrangement should be applied, for two reasons:

In the first place, if we provide for a transitional ruling it will be easier for the Italian Government to agree to the move, so that this new ruling can be introduced quickly.

In the second place, it was not long ago, i.e. in 1970 or 1971, that these customs agents were given an official status. They have been confirmed as a kind of public body. I am not familiar with the terms used, but the importance of this profession was again underlined in the year 1970. Under such circumstances it would be somewhat harsh if, only a year or two after their appointment, they were from one day to another, so to speak, reduced in their scope if not made completely redundant.

We are not of necessity bound to stipulate five years, but we did want to say that there were good social reasons for smoothing the path for these 30 000 people affected, so that they can take up some other profession or business. This was the consideration behind the ruling and proposal, and I should like to ask the Commission to bear this social concern in mind in its dealings with the Italian Government.

(Applause)

President. — I call Mr Cheysson.

Mr Cheysson. — (F) Mr President, Customs Union has now been in being for fifteen years. It was instituted for a reason, which is certainly not the consolidation of juridical vested interests, disparities or inequalities.

That is why the Commission has chosen this line, after careful reflection and consultation with governments. It chose it all the more resolutely because we do not believe the approved customs agents—the professional men—will stand to lose by this measure. The evidence is to be found in the other seven countries, where the number of approved customs agents has not dropped at all. But we consider it incompatible with customs union to allow juridical monopolies and protectionist practices fifteen years after its setting up.

President. — I call Mr Schwörer.

Mr Schwörer, rapporteur. — (D) Please bear with me, Mr Cheysson, if I give you a further answer to this. The view I take is that, when they talk about fifteen years, we may just as well ask: why has the situation which still prevails today been tolerated for so long? Why was the confirmation of this professional status permitted in Italy in 1970, without anything being done about it? Therefore I think that, rather than appeal to those fifteen years, we should seek a way, together with the Italian Government, of easing the transition.

President. — I call Mr Van der Hek.

Mr Van der Hek. — (NL) Mr President, I have put these questions, essentially, because I was not completely convinced by the Committee on Economic and Monetary Affairs or by our rapporteur, despite the very persuasive argument which was put forward.

I share the Commission's view. I think that, at a time when we are concerned with harmonizing legislation and smoothing out discriminations, we should not tread the path of maintaining discriminations.

In the second place, I do not see that these customs agents raise any problem. Bearing in mind the nature of this profession I fail to see that, if Article 3 is accepted as the European Commission recommends, these people are thereby put of a job. That strikes me as a big exaggeration.

In the third place—and this strikes me as being of the greatest importance—if we, as the European Parliament certainly, permit this kind of exception even on a temporary basis, this creates a dangerous precedent with regard to other forms of monopoly. My personal view is therefore that we should follow the Commission, and I should like to suggest to you, Mr President, that if we agree on these texts, Parliament should also be consulted on the contents of this new paragraph 3 of the explanatory statement of the report.

President. — I call Mr Cheysson.

Mr Cheysson. — Mr President, I thank Mr Van der Hek.

The Commission takes the same view.

President. — Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted.¹

13. Council decision concerning Draft Supplementary Budget No 1 for 1974

President. — The next item is a debate on the report drawn up by Mr Pounder on behalf of the Committee on Budgets on the Council's decision of 13 May 1974 not to draw up a Draft Supplementary Budget No 1 of the European Communities for 1974.

I call Mr Pounder, who has asked to present his report.

Mr Pounder, rapporteur. — Mr President, I have pleasure in presenting this report on behalf of the Committee on Budgets. In my view the subject matter of this report is largely self-explanatory. However, I would like to make just one or two remarks which would underscore why the committee feels it is necessary to bring the present situation to the attention of this House.

During the debates on the last budget last autumn, this House adopted an amendment on a suggestion from the Commission which was to include appropriations under Chapter 98, namely the Provisional Non-Allocated Appropriations, which would enable the Commission to employ staff during the course of the year and thus increase the Commission's activities in the sphere of financial control of Community funds.

Improved financial control and the provision of the necessary administrative machinery has rightly been one of Parliament's continuing pre-occupations, and Parliament has welcomed the renewed initiatives of the Commission in terms of the practical proposals which it has made to increase control.

However, the Council rejected this proposed amendment while at the same time accepting that during the course of this year there would be a requirement for a supplementary budget to provide the finance for these proposed controls.

At the beginning of this year the Commission duly presented a supplementary budget for just under 700 000 units of account, renewing its requests for more staff in a comprehensive programme designed to improve the liaison between the various Commission services and instituting what have come to be called the flying-squad procedures to assist in the eradication of frauds involving Community funds. Included also in this preliminary draft were new arrangements for the *appaltati* local staff at the Ispra Research Establishment to regularize their position in view of the exigencies of

¹ OJ No C 85 of 18. 7. 1974.

Pounder

Italian law and in conformity with the staff's wishes.

During its discussions on the preliminary draft the Committee on Budgets heard the Commissioner responsible, Mr Cheysson, stress the urgent need for action in the control sphere. In addition, a delegation from the Committee on Budgets went to the Ispra Research Establishment and was left in no doubt of the need for urgent action as regards the working conditions there as well as the need for a subsequent general review.

The Committee on Budgets submitted its view to the Council in the form of a telex and asked the Council to adopt the preliminary budget as a matter of urgency. The Council decided at its meeting of 13 May, which was not, I must admit, a very happy birthday present for me, not to draw up this draft budget but instead to authorize the Commission to proceed to make arrangements for the employment of 20 of the 45 members of staff asked for from 1 January next year.

The Council also deferred the question of the position of the *appaltati* under a general review that made certain interim proposals concerning 105 contract staff, which seemed to go outside the usual budgetary channels. The Council stated in justification of this measure that it now considers it imperative to keep supplementary budgets to an absolute minimum. This has been the view of the Committee on Budgets and of this Parliament for many years, but I would nevertheless respectfully suggest, as would the Committee on Budgets, that the Council's decision in this particular instance is needed because of the acknowledged urgency of improving financial control here and now. Furthermore, the Council's proposal to authorize the Commission to take the necessary steps to engage extra staff and then to regularize procedure afterwards really cannot pass without comment. It does establish what I am bound to say as an accountant strikes me as a somewhat curious procedure. Be that as it may, it also goes further in that it seems to pre-empt Parliament's right to participate in these matters during the general budgetary discussion later in the year.

Finally, the Council does not explain in any way why it has reduced the Commission's request from 45 to 20 new members of staff, and I would respectfully suggest to this House that the Commission is surely better placed than the Council to know how many staff it will require. In any event some explanation should in my submission, Mr President, be given by the Council, and I hope that Parliament will be provided with the justification for the decision of 13 May which has hitherto been lacking.

As a final point it is suggested in the report now before the House that any further requests for supplementary budgets during 1974 should be regrouped, if possible, into one single supplementary budget so as to minimize recourse to the complicated procedure that has been used on this occasion.

I wonder if I may conclude on a personal note as this is the last report which I will have the honour of presenting to this House before my mandate as a Member expires. I would therefore publicly like to thank you, Sir, the chairman and the members of the Committee on Budgets and its secretariat, not forgetting the members of the Commission who so assiduously attend the meetings of the Committee on Budgets, for all the help which has always been given to me. I will treasure with affection my memories of the past 18 months while I have been privileged to be a Member of this Parliament and I conclude with the heart-felt wish that this Parliament, and its Members, will go from strength to strength in the coming months and years.

(Loud applause)

President. — Thank you very much, Mr Pounder. As you see from the response, you will be greatly missed in this House, but I trust that in another capacity we may still be able to keep in touch with you.

I call Mr Cheysson.

Mr Cheysson, member of the Commission of the European Communities. — *(F)* The rapporteur has succeeded very well in outlining the three reasons why this matter is so surprising. I trust he will allow me to insist on the first of these, which is that, eight months after having put forward proposals for strengthening the financial control procedures, the Commission has had a reply which refers only to half the staff they were asking for. Nowhere has anyone discussed the appropriateness of the measures we recommended; nowhere has anyone questioned our need for supplementary staff for fact-finding visits, for the budget units to be created in each of the administrative departments, for the comprehensive budget units to be created in the financial control and budget services; and yet it has taken eight months for us to get half of the staff everyone regarded as necessary. It is a surprising way of carrying on, as your rapporteur said. I shall make no secret of the fact that the effect of this in the Commission's services is disheartening, and not a few people are saying that if, after all, governments are attaching so little importance to control, there is hardly any point in our worrying about it any more than they do.

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The second point, Mr President, is that the budgetary method to which the Council has resorted in this matter is—let me repeat the word—nothing short of surprising. We are authorized to make advance arrangements involving an increase in our staff. I am wondering under what heading of the financial regulations this is to be entered. Similarly I should like to know under what heading of the financial regulations, or budgetary powers, the Council can write to Parliament that this situation will of necessity call for subsequent budgetary regularization. This, too, strikes me as an extraordinary procedure.

Finally, Mr President, the rapporteur has recalled that Parliament is not in favour of the procedure of supplementary budgets. Let me say that on this point the Commission has been making categorical statements for a year already. The Commission does not want to see a supplementary budget either. This is why, at the budgetary Council in December 1973, the Council was asked to accept the amendment you had submitted. According to this amendment, a certain sum could be entered under Chapter 98; the decision on the allocation of this amount was suspended, but the budgetary provision was laid down and the supplementary budget was unnecessary. When the Council rejected this procedure by a majority of one, the Commission entered on the minutes of the meeting the fact that the decision thus taken by the Council made the supplementary budget obligatory, this being by the will of the Council. That was entered on the minutes.

Under these circumstances it is very unfair to the Commission for the Council then to appeal to the fact that it does not want a supplementary budget and to be loading the blame onto the Commission. I am prepared to shoulder my own responsibilities without stint, but I do not want those of the Council as well.

President. — I call Mr Scott-Hopkins.

Mr Scott-Hopkins. — Mr President, perhaps the Commissioner could say a little more to the House concerning what results this refusal by the Council is going to have. He will know, and the House will know, what great store we, the European Conservative Group, set by the necessity to have adequate staff to carry out the budgetary and the auditing checks, which seem in this case to have been rejected by the Council by the rather devious means of refusing to have a supplementary budget, and perhaps the Commissioner could tell us what the effect of this will be.

I do not see how, under paragraph 2 of our rapporteur's very succinct report, the Council can expect the Commission or this House to arrive at the proper conclusions. How can we taken on 20 supplementary staff who are completely unauthorized from 1 January 1975, hoping that this will be included in some future budgetary arrangement that this House has not passed. This is a most monstrous way of doing things, and the Council should really be reprimanded most severely for this type of procedure, which I hope they will not employ again.

I see that representatives of the Council are smiling and they have no right to smile about this, because in point of fact, they are behaving monstrously. Mind you, Mr President, like us they want to see the moneys which are spent are properly and correctly spent. If they do not, let them stand up and say so and be counted here in this Chamber. I am sure they do, as indeed do the Commission and this Parliament, too.

We have obviously got ourselves into an awful mess, and I would ask the Commissioner to explain in a little more detail exactly what this means and what his plans are—how he can overcome the problem, because overcome it he must. This House will expect him to do so with the cooperation, and I am sure we will get the cooperation—full cooperation—of the Council during the coming months.

President. — I call Mr Cheysson.

Mr Cheysson, member of the Commission of the European Communities. — (F) Mr President, the procedure to which we have to resort is fairly tortuous, as the speaker has just said. The only expedient open to us will be to recruit these 20 employees for other vacancies in our budgetary staff complement which for some other reason could not be filled. This is an annoying business. The authorized total staff complement remains unchanged and, of course, the total number to appear on the Commission's staff list will not exceed the authorized total, but we shall appoint these people to other posts. That is the idea. All this amounts to is a procedure enabling us to recruit these 20 employees, i.e. 20 instead of 45, with several months' delay and under conditions which are questionable from the administrative point of view and, in my view, nothing less than shocking from the point of view of budgetary procedure.

Mr President, since it is my turn to speak, may I address a personal word to Mr Pounder, who has announced his intention of leaving these benches, to convey to him the gratitude of the

Cheysson

Commission and more particularly of the two directorates-general which have benefited from his occasionally sharp criticisms, as well as by his advice and by his presence on many occasions. Thank you, Mr Pounder.

President. — Thank you, Mr Cheysson.

I call Mr Scott-Hopkins.

Mr Scott-Hopkins. — While not wishing to keep the House for more than a moment, may I echo the words which have been said by the Commissioner in congratulating my honourable friend, Mr Pounder, and wish him the very best of fortune in his new occupation. We shall all be delighted that he is going to be there.

To go to more serious matters, it really is the most astonishing statement the Commissioner has just made, Mr President. He had 20 places free for the people referred to in paragraph 2 of the report. Either he is being over-generous as regards the number of posts that he has been given or the work is not being done in those departments in which these 20 people are going to be put to do different work. Something is wrong somewhere, and I would hope that the Commissioner would put this to rights in the near future.

President. — Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted.¹

14. *Regulation on the Community quota for the carriage of goods by road*

President. — The next item is a debate on the report drawn up by Mr Giraud on behalf of the Committee on Regional Policy and Transport on the proposal from the Commission of the European Communities to the Council for a regulation extending and modifying Regulation (EEC) No 2829/72 of the Council of 28 December 1972 regarding the Community quota for the carriage of goods by road between Member States (Doc. 157/74).

I call Mr James Hill, deputizing for Mr Giraud, who has asked to present the report.

Mr James Hill, deputy rapporteur. — Mr President, Mr Giraud has to attend to the commencement of the procedures for the burial of his socialist colleague and has consequently asked me to stand in for him on this document.

I would first like to thank you, Mr President, and Parliament for agreeing to my request yesterday that this report should be placed on the agenda today. I should also like to thank Mr Giraud, who is the committee's acknowledged expert on these matters and who has worked not only on this report but also worked on the equivalent report last year.

Speaking, of course, as a delegate from the United Kingdom I would put particular emphasis perhaps on paragraph 3 of the motion for resolution, which draws attention to the fact that the Council has not yet acted on the Commission's proposals that the quotas of the new Member States should be increased. It seems to me to be regrettable that although the Commission's proposals for an increase in the quota of the new Member States was approved by the European Parliament as long ago as June 1973, the Council has not as yet come to any decision. Perhaps they will manage to do so at their meeting today, which I understand is devoted to transport questions.

This question really ties in with our statement in paragraph 4 of the motion which states that Member States which can show just cause for exceeding the quota should be allowed to request an increase. This paragraph, I think, really stems from paragraph 19 of Doc. 156/72, Mr Giraud's interim report of October 1972 on the question of the introduction of the Community quota system.

Paragraph 19 of the explanatory statement stated that the new allocation of Community authorizations should be based on an examination of the uses being made of the authorization. That really is to say basically how many of these allocations have been taken up. Mr Giraud then said that a great number of authorizations should be allocated to those countries whose transport undertakings had made the greatest use of the authorizations allocated to them. The Committee on Regional Policy and Transport has found no reason to depart from this principle and no doubt, with its great common sense, this House will endorse it.

I very much hope that the Council will accept the Commission's proposal, which allows the original Member States an annual increase of 15% based on the 1974 quotas and the new Member States an annual increase of 20%. I think the Commission's differential was right and proper, based as it was on the faster rate of growth of trade likely to be achieved by the new Member States following the enlargement of the Community. But I would emphasize to the House that 20% of the small total is not as much as 15% of a much larger total. I do think that

¹ OJ No C 85 of 18. 7. 1974.

James Hill

the base figures from which these multilateral permits are derived are such that the three new Member States started at somewhat of a disadvantage. Nevertheless, Mr President, the figures as outlined on page 9 of the document show the progression of figures over the next few years until 1976.

The great difficulty of course with any of the Member States' transport organizations is that the multilateral permits account for only about 4 or 5% of the total used. The rest has to be given on a bilateral basis and consequently without free cooperation between, say, the United Kingdom and France or the United Kingdom and Germany, or indeed through Holland and Germany or almost any other adjacent Member State. It does therefore mean that there is an unnatural distortion of trade between the Member States. I sincerely hope as a member of both my committee and of this House that we will ask for the abolition in the not too distant future of bilateral permits and that the distortions in trade will be discussed by the House. The figures are appreciable for 1976, and I am sure by that time we shall have coped with the distortion in the transport sector.

The common transport policy which is now being formulated is very progressive, and I am sure these figures will tie in admirably with our plans in the common transport field.

Having said that, Mr President, with a perhaps reluctant admission that the new Member States are initially working from a much lower base line, I am sure these distortions will be ironed out. I hope that Mr Giraud's report will be accepted by the Council of Ministers and will mean the eventual abolition of bilateral permits.

I would therefore recommend this document to the House and would hope that it could be adopted unanimously.

President. — I call Mr Cheysson.

Mr Cheysson, member of the Commission of the European Communities. — (F) Mr President, the report of the Committee on Regional Policy and Transport prepared by Mr Giraud is a very complete and detailed document, and this—in view of the rapporteur's competence—will occasion no surprise to the Commission or to the House. This report recommends that we should approve the proposal to extend Regulation No 2829/72. I thank Mr Giraud for it, and would like to recall how we reached the present position.

The House is aware of the fact that the Community quota was initially fixed in July 1968

on an experimental basis for three years. This then involved a relatively small volume of transport in relation to the total volume of road traffic between Member States. This experience has proved conclusive, it is generally admitted. The original regulation was therefore extended in December 1972, with an increase of 15% in the number of Community authorizations in the original Member States, for each of the years 1973 and 1974, and quotas laid down for the new Member States.

Taking into account the observations submitted by these latter states, as well as the statistical data, a readjustment was then recommended by the Commission, which advocated the issue of a greater number of authorizations on the basis of figures brought up to date and taking into account the repercussions allowed for. This document was examined by the House and approved by Parliament on 4 June 1973, which is already over a year ago. It is indeed nothing less than surprising—you used the word 'regrettable' which the Commission readily endorses—that the Council has not up to the present come to a decision on this document. As you are aware, the Council will be re-examining this proposal again within a quarter of an hour or twenty minutes. We hope it will be adopted and we shall act on these lines.

This is also the reason why my colleague, the Vice-President of the Commission, is not replying to the House today: indeed, he has insisted on replying himself to the Council and on using all his influence with it in order to get the regulation adopted immediately. On the assumption that it is adopted, which we hope it will be, we must realize at once that it expires on 31 December 1974. The Commission could then have immediately proposed an overall proposal which would come closer to what the House has been recommending for a long time. You will indeed be aware of the fact, and the communication of October 1973 from the Commission which was approved by Parliament testifies to it, that we wish to put forward, within the framework of the general organization of the market, overall proposals inspired by a new concept of common transport policy.

I thank the House for welcoming this idea, as it has already indicated and as is noted in the motion for a resolution. But a certain amount of time will be needed to formulate this policy in a definitive way after appropriate consultations. This is the reason why today you are only examining a proposal from the Commission aimed at extending for a further two years, 1975 and 1976, the present regulation on the Community quota.

Cheysson

For these two coming years we recommend an increase of 15% in the quotas for Community authorizations in the original Member States, as the rapporteur has recalled, this figure being based on the general average annual increase in the total volume of road transport between Member States. As regards the new Member States, the Commission has thought fit to renew the quotas also, subject to a 20% per annum increase on the basis of the figures given to us. The rapporteur was good enough to acknowledge that this procedure was justified. The motion for a resolution which your Committee on Regional Policy and Transport is submitting for your approval therefore fully endorses the Commission's view. We hope, Mr President, that the House will adopt it.

President. — Thank you, Mr Cheysson.

Does anyone else wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted.¹

15. *Agenda for next sitting*

President. — The next sitting will be held tomorrow, Friday, 28 June, with the following agenda:

9.30 a.m. to 12 noon

- Report by Mr Bousch on behalf of the Committee on Energy, Research and Technology on fuel stocks;
- Report by Mr Brugger on behalf of the Committee on Agriculture on the approximation of the laws relating to honey;
- Report by Mr de Koning on behalf of the Committee on Agriculture on special measures for soya beans;
- Report by Mr Martens on behalf of the Committee on Agriculture on the financing of publicity in respect of nursery products;
- Report by Mr Baas on behalf of the Committee on External Economic Relations on mountain and alpine cattle;
- Oral Question without debate by Mr Martens to the Commission on support measures for greenhouse cultivation;
- Report by Mr Gibbons on behalf of the Committee on Public Health and the Environment on the procedures of the Standing Veterinary Committee;
- Report without debate by Mr Bertrand on behalf of the Committee on Social Affairs and Employment on social security schemes.

The sitting is closed.

(The sitting was closed at 4.50 p.m.)

¹ OJ No C 85 of 18. 7. 1974.

ANNEX

*Oral Questions which could not be answered during
Question Time, with written answers**Oral Question by Mr McDonald
to the Commission of the European Communities*

Subject: Common Agricultural Policy

The United Kingdom obtained special derogations as part of the Communities 1974 Agricultural price package. Would the Commission say whether these were in legal conformity with the terms of the Treaty of Accession and whether they endanger the basic principles of the Common Agricultural Policy?

Answer

— To start with the latter aspect of the question:

The basic principle of CAP is that its provisions should be such as lead to the establishment of a common market having all the characteristics of a national market.

— It is the Act of Accession itself which—in order to achieve the accession of the new Member States—provides for a transitional period. Within this period, temporary arrangements can be made with a view to progressively fitting the economies of new Member States into the economy of an already existing Community.

This objective explains the special derogations provided for in the case of the UK.

— In this light it is my conclusion that these temporary derogations do not endanger the basic principles of CAP.

Moreover, one of them (for the beef target price) is about to be withdrawn.

— (First aspect of the question:) the derogations were in legal conformity with the terms of the Treaty of Accession. As a matter of fact, the provisions of the Act of Accession have made them possible. The agricultural title of the Act of Accession in fact provides an example of the implementation of one of the Principles of the Act contained in Article 9 paragraph 1 where it is said, 'in order to facilitate the adjustment of the new Member States to the rules in force within the Communities, the application of the original Treaties and acts adopted by the institutions shall, as a transitional measure, be subject to the derogations provided for in this Act'.

*Oral Question by Mr Creed
to the Commission of the European Communities*

Subject: Loan for coal and steel workers

The Commission is asked if they will give the terms of the loan for coal and steel workers and if they will define to what categories of worker it applies e.g. whether office workers are included, whether any payments have been made to Irish workers, and, if not, what is the cause for the delay?

Answer

It is not quite clear from the question to which loan Mr Creed refers.

But I take it he has in mind the loan of £ 135 700 which the Commission has recently approved, to the National Building Agency towards the construction of 86 houses for owner-occupation at the very low annual interest rate of 1%

with repayment over a period of 25 years. All categories of personnel, including office workers, are eligible.

There has been no delay in this case. The Council decided on allocations between the Member States in December 1973. Only then could the Commission complete its consideration of the applications from industries in the Member States and approve individual loans. This process has now been completed and payments will begin in the near future.

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IN THE CHAIR: MR BURGBACHER

Vice-President

(The sittings was opened at 9.35 a.m.)

President. — The sitting is open.

1. Approval of the minutes

President. — The minutes of proceedings of yesterday's sitting have been distributed.

Are there any comments?

The minutes of proceedings are approved.

I call Lord Mansfield on a procedural motion.

Lord Mansfield. — Mr President, I apologize for disturbing the even tenor of your Friday morning, but there is a matter I wish to draw to the attention of yourself and Parliament generally. Mr President, at our next part-session that is to say, in July in Strasbourg, a considerable time of this Parliament will be devoted to discussing the report of Mr Brugger, that is to say a supplementary report drawn up on behalf of the Legal Affairs Committee on a proposal from the Commission to the Council for a regulation embodying a Statute for European Companies. The document is numbered 67/74. Mr President, I anticipate that this discussion—and I say this as a matter of fact, and not so much as a matter of warning—will take up many hours of Parliament's time, because the Legal Affairs Committee spent no less than 23 meetings discussing and debating these matters and amendments. Indeed, the proposed statute is one of the most lengthy technical and involved matters which has come before this Parliament since I joined it in January 1973. Now, the report itself is in English and I believe Danish, but not the proposed Statute, and it will be

quite impossible for Parliament to work on this very difficult and involved matter unless there are copies for each Member of Parliament in the proper languages. May I say I point no finger and lay no blame; I merely make the plea that those who guide our destinies try to provide these copies in the appropriate languages, that is to say Danish and English, before we foregather in Strasbourg.

President. — I call Mr Brugger.

Mr Brugger. — (D) Mr President, I should like to comment briefly on this question. I recall that the Legal Affairs Committee had the English version of the document referred to by Lord Mansfield while it was discussing this subject. I have discovered that the Commission's document is not available in Luxembourg at the moment, but it will probably be available again in the next few days so that the Danish and English versions can be forwarded to the Members concerned. What is certain is that it was before the Legal Affairs Committee while it was discussing the proposal. All that can have happened is that it is temporarily out of print.

President. — Lord Mansfield's remarks are fully justified. I might perhaps ask Mr Brugger, the rapporteur, to do what he can to ensure that the English and Danish texts are available in good time.

2. Documents received

President. — I have received the following documents:

(a) from the Council of the European Communities, requests for an opinion on:

— the proposals from the Commission of the European Communities to the Council for three regulations opening, allocat-

President

ing and providing for the administration of Community tariff quotas for Port, Madeira and Setubal muscatel wines falling within subheading ex 22.05 of the Common Customs Tariff, originating in Portugal (Doc. 166/74).

This document has been referred to the Committee on External Economic Relations as the committee responsible and to the Committee on Agriculture for its opinion;

- the proposal from the Commission of the European Communities to the Council for a regulation opening, allocating and providing for the administration of a Community tariff quota for fresh or dried hazelnuts, shelled or otherwise, falling within subheading ex 08.05 G of the Common Customs Tariff, originating in Turkey (Doc. 167/74).

This document has been referred to the Committee on External Economic Relations as the committee responsible and to the Committee on Agriculture for its opinion;

- the proposal from the Commission of the European Communities to the Council for a regulation extending for the third time the period of validity of Regulations (EEC) Nos 2313/71 and 2823/71 on the temporary partial suspension of the Common Customs Tariff duties on wine originating in and coming from Algeria, Morocco, Tunisia and Turkey (Doc. 168/74).

This document has been referred to the Committee on Agriculture as the committee responsible and to the Committee on External Economic Relations for its opinion;

- the proposal for a transfer of appropriations in the 1974 budget:
from Chapter 90: food aid expenditure to Chapter 40: aids
(Doc. 173/74).

This document has been referred to the Committee on Budgets;

- the proposal from the Commission of the European Communities to the Council for a regulation amending the Staff Regulations of officials of the European Communities and the conditions of employment of other servants of the Communities (Doc. 174/74).

This document had been referred to the Committee on Budgets;

- (b) Oral Question No 26/74 with debate put by Mr Durieux on behalf of the Liberal and Allies Group to the Commission of the European Communities on the effect of increased costs on the level of agricultural prices (Doc. 170/74).

- (c) from the committees, the following reports:

- report by Mr Ligios on behalf of the Committee on Agriculture on the proposal from the Commission of the European Communities to the Council for a directive concerning forestry measures (Doc. 169/74);

- report by Mr Seefeld on behalf of the Committee on Development and Cooperation on the proposal from the Commission of the European Communities to the Council for a Communication on Community food aid policy (Doc. 171/74);

- report by Mr Knud Nielsen on behalf of the Committee on Development and Cooperation on the proposal from the Commission of the European Communities to the Council for a regulation to extend the list of products falling within Chapters 1 to 24 of the Common Customs Tariff, in respect of which the scheme of generalized preferences in favour of developing countries is applicable under Regulation (EEC) No 3506/73 of the Council of 18 December 1973 (Doc. 172/74).

3. Reference to committee

President. — The proposal from the Commission of the European Communities to the Council for a Regulation on certain measures to be taken in the agricultural sector in respect of Italy following the fixing of a new representative rate for the Italian lira (Doc. 133/74), which was referred on 11 June 1974 to the Committee on Agriculture as the committee responsible and to the Committee on Budgets for its opinion, has now also been referred to the Committee on Economic and Monetary Affairs for its opinion.

4. Directive on the maintenance of minimum stocks at thermal power stations

President. — The next item is the debate on the report drawn up by Mr Bousch on behalf of the Committee on Energy, Research and Technology on the proposal from the Commission of the European Communities to the Council for

President

a directive obliging the Member States of the EEC to maintain stocks of fuel at thermal power stations (Doc. 113/74).

I call Mr Bousch, who has asked to present his report.

Mr Bousch, rapporteur. — (F) Mr President, ladies and gentlemen, a regular and adequate supply of electricity is an essential condition for the economic activity of our Community. The obligation to maintain minimum stocks at thermal power stations, as recommended by the proposal before us, is necessary and justifiable. The proposal to undertake harmonization in this sphere seems to us particularly opportune.

An interruption or reduction of electricity supplies would have disastrous consequences for the economy of the Community. This is not only the view of the Committee on Energy, Research and Technology, but also of the Committee on Economic and Monetary Affairs, which has also been asked for its opinion, and which considers that the size of the proposed stocks seems relatively modest.

The directive before us forms part of the range of harmonization measures on energy policy recommended in the 'Energy' Annex to the Communication from the Presidency following the Conference of Heads of State or Government in December 1973. It also satisfies the wish expressed by certain speakers in last February's debate on the report by Mr Lautenschlager on energy policy measures following the decisions taken at the Summit Conference of Heads of State or Government in Copenhagen.

Our committee therefore hopes that this proposal for a directive will be followed by other proposals designed to promote security of supplies. The Commission has based its proposal for a directive on Article 103 of the EEC Treaty, the first paragraph of which provides that Member States shall regard their conjunctural policies as a matter of common concern and shall consult each other and the Commission on the measures to be taken in the light of the prevailing circumstances. Paragraphs 2 and 3 of this Article define the Council's decision procedure. The implementation of an energy policy, which is the reason for this debate, is certainly not a conjunctural measure. The Committee on Energy, Research and Technology and, on its own initiative, Parliament as a whole have emphasized sufficiently the profound change in the bases of primary energy supplies to justify today's intervention.

The measures to be taken are therefore structural in character. The Commission has there-

fore not laid down any deadline for expiry of the proposed arrangements. On the other hand, Article 103(4) stipulates that the Council's decision procedures shall also apply if any difficulty should arise in the supply of certain products or certain raw materials. This paragraph makes no distinction between temporary and permanent difficulties.

As the legal basis is well established, it would perhaps have been preferable for the Commission to state in the Explanatory memorandum preceding the proposed directive the reasons which it considers justify the application of Article 103.

The proposed directive itself comprises the Explanatory Memorandum and the preamble, on which we have no criticism to make, and finally six articles.

Article 1 lays down the level of stocks of fuel to be maintained at thermal power stations to ensure electricity supplies for a period of 50 days. Why has this been fixed at 50 days and not 90, which is the period for obligatory stockpiling of oil and petroleum products? The Commission seems to have been guided by considerations which we think are justified. It has emphasized the fact that the recommended stocks of fuel were merely additional to the stocks already existing in the countries of the EEC. Fuel deliveries are also made at intervals and therefore these stocks fairly often reach levels far in excess of the minimum 50-day supply. For an initial period the proposed minimum stocks therefore seem adequate, although it is considered that it would be useful if this minimum could be exceeded in future. On this point we have adopted the ideas expressed by our committee and the Committee on Economic and Monetary Affairs, which also reserves the right to return to this problem if need be.

Article 2(2) exempts power stations fired by manufactured gases, industrial or other waste from the obligation to hold such stocks. This is understandable, but we have asked for a fuller definition of 'other' to read 'other types of energy wastes requiring immediate utilization'. We considered it necessary to be more specific. Article 3(1) provides that regular supervision of stocks shall only apply to power stations with an installed capacity of at least 100 MW. This would seem normal, since about 90% of electricity generated in the Member States today comes from stations of this capacity, but smaller power stations play a very important part in some Member States and it would not seem advisable to exempt them totally from the proposed supervision or the need to maintain stocks.

Bousch

The Committee on Energy, Research and Technology is therefore of the opinion that the first paragraph of Article 3 could be deleted. The Committee on Economic and Monetary Affairs shares this view, as shown by the opinion annexed to our report.

Article 3(2) contains provisions relating to the communication to the Commission by the Member States of statements of stocks held. These stocks are to be those existing at 1 April and 1 October each year, i.e. when they are relatively low at the end of winter, and very high at the beginning of winter, the period of high consumption. Member States must make such communications within a maximum of two months, that is by 1 June and 1 December of each year.

We have no major objection to this, but we felt that this paragraph should be preceded by a provision laying down the procedure for the communication by power stations of information to the competent authority of the Member State on the stocks held. This information should be given every three months to take account of the provisions of Article 3(3), which states that the Member States should, in accordance with procedures laid down by the Commission, make the communications provided for in paragraph 2 within shorter time-limits or in respect of different periods. In order for this obligation to be fulfilled the conditions must be fixed beforehand.

The second paragraph of Article 4 authorizes Member States to draw on stocks, in cases of special urgency or of satisfying small local needs, to such an extent as to reduce them below the recommended level.

This paragraph gave rise to considerable discussion within the committee. Your rapporteur has asked for a clearer definition of the urgent cases and examples of 'small local needs'. He has indicated that these could only be events jeopardizing electricity supplies for vital services such as hospitals, waterworks, water purification plants and fire services. An over-lax interpretation of this freedom to draw on stocks must be avoided.

Finally, I should like to say that our committee supports the proposal. The wording adopted is such as to satisfy our colleagues and receive the approval of the Commission.

There in brief, ladies and gentlemen, are the bare bones of this proposed directive. I can only recommend the Assembly to adopt it with the few amendments contained in the report before you.

In this Chamber I have been advocating for many years that reserves of primary energy sources should be built up in order to meet any difficulties which might arise. I have always emphasized the need to preserve a minimum level of production of a European energy source, particularly coal, in order to be able to avoid constraints on our economies. I have been one of those recommending a search for new sources of energy in Europe, particularly gas and oil. I have also been among those supporting the need to promote nuclear energy and a programme for the construction of new nuclear power stations.

Finally, I have been among those who, in the past, suggested that the Commission could contact the producing states, in the same way as the large oil companies, to ensure more organized relations between the Community and these states.

History has proved me right, but what is the good of being in the right and being disregarded, at the time, by those who thought that abundant energy and low prices would go on for ever? We now know what this lack of foresight on the part of the European Community will cost all our states, without exception. This is why it is high time that our Community decided to pursue a common energy policy and consider the action of the Commission in asking for stocks to be maintained at thermal power stations as a welcome initiative to be followed by others. We should therefore adopt this proposal with the suggested amendments. I hope that the Assembly will do so unanimously.

(Applause)

President. — I call Mr Noè to speak on behalf of the Christian-Democratic Group.

Mr Noè. — *(I)* Mr President, we will have a chance to talk about overall energy strategy in July and perhaps it will be easier in that context to form a judgement on each of the partial measures which, together, will probably help the Community to achieve a greater degree of autonomy.

However, this partial provision, which has just been so well explained by Mr Bousch, is something which we must accept, because it can certainly be fitted into the overall concept which we will be examining in Strasbourg in July. For this reason, I do not think it necessary to add much to what has already been set out, with a wealth of detail, by Mr Bousch: I therefore recommend the House to approve this Commission proposal, until, as I say, a more general discussion is held.

Noè

Our committee did however, wish to draw attention to the necessity of extending the provisions under consideration to apply also to power stations with an installed capacity of less than 100 000 KW, and it seems to me this suggestion should be followed.

(Applause)

President. — I call Lord Bessborough to speak on behalf of the European Conservative Group.

Lord Bessborough. — Mr President, like Mr Noè I wish to express my approval of this admirable and useful report drawn up by Mr Bousch. It is certainly an important part of what we hope will become a common energy policy in the Community, and I am very glad that in Strasbourg next month we shall be having this wider debate on energy strategy.

I congratulate Mr Bousch on what he has done, and Mr Normanton and I warmly recommend this whole report to Members and are particularly happy that the amendments which Mr Bousch has described have indeed been adopted, especially the one to Article 1, which I consider important: the period of fifty days should definitely only be a minimum period. Fifty days is not very long, and I think some Member States would prefer the period to be considerably longer.

I think the amendments to Articles 2 and 3 make good sense. On Article 4 we did have some considerable discussion with some of our other colleagues on the left and eventually found that this euphemistic expression 'events jeopardizing electricity supplies' was indeed acceptable, but of course we were thinking of the kind of industrial dispute which we experienced in Britain earlier this year.

I strongly endorse this report and am very glad that Mr Bousch has produced it, and I hope that members of my group will support the amendments included in the document.

(Applause)

President. — I call Mr Flämig to speak on behalf of the Socialist Group.

Mr Flämig. — (D) Mr President, on behalf of the Socialist Group I would like to join in thanking the rapporteur. We, too, shall be voting in favour. There was some doubt in our group as to whether the period—of 50 days—laid down here is really sufficient. We have nevertheless decided to approve this report because we feel that it is a step in the right direction. We also approve the amendments.

(Applause)

President. — I call Mr Lardinois.

Mr Lardinois, member of the Commission of the European Communities. — (NL) Mr President, on behalf of the Commission I should also like to join Mr Noè, Lord Bessborough and Mr Flämig in thanking the rapporteur for his report.

Mr President, this is not the first time by any means that the Commission and Parliament has been thinking and working in the same direction as regards the energy policy. You will therefore see that the proposed amendments, which I will deal with individually, can be accepted by the Commission as they stand. I feel that it is one of the positive aspects of the European energy policy that the Commission and Parliament are not only thinking but also working in the same direction. The same cannot unfortunately be said of the Council. So far precious little has happened in the Council in this sector.

Mr President, the rapporteur has proposed an amendment to Article 1 to indicate that minimum supplies are concerned here. I will accept this without further ado. I feel, however, that there has been a definite misunderstanding in that our proposal does not make it completely clear that we mean supplies for 50 days at power stations in addition to the national stocks that Member States must in any case hold in reserve. As you know, the Member States have hitherto been obliged to keep minimum national stocks for 65 days; this will be increased as from 1 January 1975 90 days. To this will now be added supplies for 50 days at each power station. This is what we have proposed, at least for power stations exceeding a given size. The planned supplies will therefore be in addition to the national stocks, which from 1 January 1975 must be sufficient for 90 days. This is, therefore, a not inconsiderable supplement to an already stringent requirement that has to be met at national level. Nevertheless, I willingly accept the amendment proposed by the rapporteur and committee.

I also accept the amendment to Article 2 as it stands; I do feel, however, that this is a question of translation. Once again, the Commission will adopt this suggestion.

As regards Article 3, Mr President, the Commission agrees with the amendment to the first paragraph, which aims at including all power stations, not only those with a capacity of at least 100 MW, and will incorporate it in its proposal.

We can also accept the amendment aiming at replacing control by the Member States by the requirement that power stations regularly for-

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ward information to the competent authorities of the Member States.

We would advise against the amendment tabled by the committee with regard to the criteria to be established for this requirement. We felt that in view of the considerable administrative differences that still exist, it should be left to the Member States for the time being to set the criteria for the obligation to forward a statement, which is in fact an administrative provision.

Where Article 4 is concerned, I can tell you that the Commission intended during the discussions in the Energy Committee to give a definition of the term 'special urgency'. It will submit an appropriate proposal to the Council, which will take account of the amendments proposed by the rapporteur on Parliament's behalf.

With regard to Mr Noè's, Lord Bessborough's and Mr Flämig's remarks, I feel that I have expressed my appreciation in my answer to the rapporteur.

President. — Thank you, Mr Lardinois.

I call Mr Bousch.

Mr Bousch, rapporteur. — (F) It is with particular satisfaction that, in your presence, Mr President, who directed our work for so long within the Committee on Energy, Research and Technology, that I welcome the unanimous agreement of all the groups in this Assembly in adopting the proposal on which I have just reported. I am also pleased, Mr Lardinois, that you have agreed with most of our amendments. You are glad to find that our ideas are in harmony with those of the Commission and you can count on our support.

I am particularly pleased that all the proposed amendments meet with your approval. As regards Article 1, there could have been a misunderstanding at one time. During our work at Brussels the Commission representative stated that the minimum 50-day stocks would be added to those already held in our countries. Our worries therefore seem to have been unnecessary; however, we have added the word 'minimum' to ensure that in future the European economy will not suffer further harm. Nor should the cost of building up stocks be forgotten, now that the cost of energy is rising so steeply. These are sacrifices necessary to ensure continuity of supply.

As regards Article 3, Mr Lardinois has pointed out that the Commission would rather have left it to Member States to lay down their own administrative criteria for the notification of

stocks. We quite understand your feelings. Nevertheless, the Commission on Energy, Research and Technology has asked me to put forward this text, and I do not think there are any great differences between us. In defining the conditions under which such notification must take place, we are perhaps giving you more authority to obtain from the Council a decision with a view to implementation of the provisions of this directive.

I thank again all my colleagues who have spoken on this matter in committee and here in the Chamber. I thank the Commission for having accepted our suggestions.

President. — Does anyone else wish to speak?

The general debate is closed.

I put the motion for a resolution to the vote.

The resolution is adopted.¹

5. Directive on honey

President. — The next item is the debate on the report drawn up by Mr Brugger on behalf of the Committee on Agriculture on the amended proposal from the Commission of the European Communities to the Council for a directive on the approximation of the laws of the Member States relating to honey (Doc. 139/74).

I call Mr Brugger, who has asked to present his report.

Mr Brugger, rapporteur. — (D) Mr President, honourable Members, from the reactions to earlier comments I deduce that today, the last day of our part-session, speed is called for. For this reason I will try to be brief.

I would point out that as long ago as 1970 the Commission submitted to Parliament, pursuant to Article 148(2) of the Treaty, a proposal for a Community regulation on the production of and trade in honey. Acting on the report drawn up by Mr Zaccari the European Parliament delivered its opinion on this proposal on 9 July 1970. Although the Commission did not in fact need to submit the amended proposal to Parliament, it has nevertheless done so because major amendments have been made. I should like to comment on these amendments.

The first proposal in this field was for a regulation. The document now before us concerns a proposal for a directive. At the time the Committee on Agriculture warmly welcomed the fact

¹ OJ No C 85 of 18. 7. 1974.

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that a regulation had been preferred because of the greater ease with which a regulation can be applied. In the meantime the proposal for a regulation has become a proposal for a directive, probably because—as can be seen from documents—the Council or the Permanent Representatives of the Community of the Six were confronted at that time with considerable difficulties as regards the ruling laid down in the proposed regulation. Then came the accession at the beginning of 1973 of the three new Member States, where the situation with regard to honey production and trade differs substantially from that in the original six Member States. For this reason and after hearing the explanations given by the Commission's representative, the Committee on Agriculture approved the decision to propose a directive. In the Committee on Agriculture the complaint was, however, then raised that the Commission had taken little account of the wishes expressed and amendments proposed by the Committee to the original proposal when working out its new proposal. The amendments adopted by Parliament on 9 July 1970 have not really been considered in this new proposal from the Commission.

With regard to the proposal itself, the Commission has decided to adopt the following derogations from the original proposal for a regulation: greater scope and longer periods before the necessary arrangements are completed in the various Member States. Transitional periods of about five years have been incorporated. This is understandable, particularly in view of the situation in the new Member States.

Of particular interest would appear to be the amendment to the original proposal that forms Article 4 of the new proposal and concerns 'Kunsthonig' and transitional provisions for a period of five years. The Committee on Agriculture felt that this period of five years, during which the term 'Kunsthonig' is to be allowed, could be reduced to three years. This is not in any way an attempt to get the products known as 'Kunsthonig' off the market, but to have it appear on the market under a different name so that the consumer is not confused.

The last paragraph of Article 6, which is also new, is of particular importance. It provides for an exception in the case of the term 'honey' by allowing it to be used for a substance which does not necessarily meet the requirements of Article 6 (2) (b) as regards taste and odour. This is, however, a transitional measure, to apply for the next five years. The Committee on Agriculture has not proposed an amendment on this, but it has done so in the case of Article 8 (1), which differs substantially from the original

proposal of the Committee on Agriculture on the provisions of the first proposal for a regulation. The Committee was almost unanimous in thinking that in the case of products imported from third countries the name of the country of origin should appear on the container and that where honey originating from a third country is blended with honey of Community origin, a set term should appear on the container so that the consumer knows what he is buying. If this amendment to Article 8(1) is adopted, an amendment to the last paragraph of Article 6 does not seem necessary. This was the thought behind the decision of the Committee on Agriculture to propose an amendment to Article 8(1) alone.

The last amendment is a reflection of the view long held by the Committee on Agriculture that the Commission should retain as flexible a system as possible so that the Committee on Foodstuffs can be consulted quickly. This amendment has been proposed in connection with earlier measures.

I do not want to hold up the proceedings with further explanations. They have been made to Parliament on earlier occasions and have not changed since then. To save time, I should therefore like to leave it at these brief comments and ask Parliament to adopt the proposal with the amendments and the motion for a resolution as it stands, but I must add that a small correction has been made to the motion for a resolution, which principally concerns an error in translation in the German version.

(Applause)

President. — I call Mr Lardinois to give the Commission's views on the amendments proposed by the committee.

Mr Lardinois, *member of the Commission of the European Communities.* — (NL) Mr President, I should like to thank Mr Brugger for the work he has done as rapporteur; it is a good piece of work, and I welcome the fact that the Committee on Agriculture largely approves the Commission's proposal. The rapporteur has, however, proposed a number of amendments, the first concerning the period of five years within which we propose that the term 'Kunsthonig' should be abolished. The Committee on Agriculture suggest that this should be done in three years.

My experts tell me that in view of all the various trade practices, etc., a period of five years is really needed, or would at least appear desirable. I sympathize that the Committee on Agriculture finds this a long period, but my advisers tell me that three years is far too

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short. We will try to shorten this period of five years to, for example, four years when the subject is discussed in the Council. The argument will not then have so great an impact, and we have after all found a practical solution to these difficulties. I feel that we do not need to be all too orthodox in this case, that we must adopt a practical approach.

In connection with the origin of products from third countries and the marking of blended products, to which a special ruling is to apply, I admit that there is a problem here, but I feel that we must not only find a solution for honey but also a 'horizontal' ruling governing all foodstuffs. I am prepared to support an approximation of this kind and to see to it that appropriate proposals are made. We do not want to pick out honey and develop intricate provisions concerning the place of origin and what must be stated on the container as regards blends and so on, since honey accounts for perhaps only a fraction of the foodstuffs we import from third countries and sell, etc. If Parliament feels that this is a genuine problem and that the consumer has a right to know where a product comes from, my view is that we should regard this as a 'horizontal' problem that concerns more than just honey, which when compared with foodstuffs as a whole is an extremely unimportant product. I myself like honey very much, but from an economic point of view it is unimportant. I hope that this assurance will satisfy Parliament.

And then, Mr President, the eternal problem of whether there should be a management committee, a procedure on which Parliament originally worked very hard and which is applied as a matter of course in the agricultural sector, or whether a committee as we know it here and in which the influence of the Member States is much stronger should be set up. The latter procedure is generally adopted for the harmonization of this kind of legislation.

I can say frankly that a committee of the kind we have for the harmonization of legislation in fact works better than we originally expected. To give it a chance to work even better and above all even faster in the future, I should not like to change this procedure now for a stricter form such as that governing the management committees.

President. — Thank you, Mr Lardinois.

I call Mr John Hill.

Mr John Hill. — Mr President, I am sure we are all very grateful that Mr Brugger's report on honey is taking much less time than that on the European Company is likely to take.

Speaking for the United Kingdom, we are very grateful that the Commission are proceeding by way of a directive rather than a regulation. I realize that most of this directive is concerned with the bulk of imported and blended honey which is used commercially and industrially. But I have had some anxieties expressed to me by small bee farmers, and I would like to put briefly a point or two to the Commissioner.

First of all, would he confirm that it is intended to include under Article 1(2)(b) what is known as chunk honey, that is honey where the wax of the comb and the honey are broken and mixed and consumed together. We were told in the Committee on Agriculture by the Commission representative that this would be included. I may be at fault for not actually tabling an amendment, but I would be grateful for confirmation on that point.

Secondly, in the move to metric prescribed weights and so on the transitional provisions will be very helpful, but it is important—and here I think lies the strength of proceeding by way of directives—that as far as the United Kingdom is concerned the changes should fit in with our general national metrication programme. There has been some confusion over these labelling requirements, and of course we know that the directive is only stating the statutory minimum requirements that have to be indicated on honey presented for sale. But I would like to stress, and have it on the record, that producers—and particularly small producers—are quite free to add anything that is legitimate within the trade descriptions legislation specifying the locality and the type of their particular honey.

I hope that the Commissioner, in observing the implementation of the directive, will ensure that the small bee farmers are not, as it were, deterred from staying in business. The reason I want to stress this is that they happen to perform a very important service for agriculture and horticulture as a whole by the work that their bees do in assisting the vital process of pollination each year. They do not get anything for doing this and yet those of us who have crops which depend on pollination, the fruit and the flower growers and so on, do rely very much on their continued existence. They are providing a service, which if they went out of business, would be very difficult and expensive to replace by other means.

President. — I call Mr Cifarelli.

Mr Cifarelli. — (I) I, too, should like to thank the rapporteur for the work he has done, but I will not go into the document before us. In-

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stead, I would like to draw attention to two points.

The first is that yet again the Commission and the Council have seen fit to propose a directive rather than a regulation; this is a sad illusion for Europe! Even if the adoption of directives is not in violation of the Treaty, I would like to say to Mr Lardinois, and through him to the Commission, that to give ground on this point means resigning ourselves for the most part to working to no avail. And when I say this I am not referring only to my own country, represented in this room at present only by myself and Mr Brugger. Objectively speaking, I have to say that of all the famous agricultural directives (and shortly forestry directives, too: in one Community country perhaps the most 'difficult' though certainly not the smallest, numerically speaking), neither the first, nor the second, nor the third nor even the fourth has been incorporated in national legislation. Well then, if in order to lay down labelling requirements for honey or decide on some consumer protection measures, we have to wait for national legislation, as if it were a complex problem (like the problem of hill farming), in my opinion we are applying the Treaties very badly; we are cutting off our own right hand; we are putting the Community at the level of a humble suppliant at the gate of national governments and, what is worse, of national bureaucracies and corporate interests.

The other point concerns the management committees. Mr Lardinois has stated basically that the management committees are operating better than we had hoped at the beginning. I have no criticisms of this; I would simply like to stress that Parliament is anxious (and I share this anxiety) to avoid given subjects being excluded from its control. Of course it is not our ideal that Parliament should be concerned with honey labels; however, we must prevent the entrenchment of the system whereby even matters concerning the customs union and the common agricultural policy are largely excluded from debate by Parliament.

President. — I call Mr Lardinois.

Mr Lardinois, member of the Commission of the European Communities. — (NL) Mr President, I will keep it brief. I should first like to say that I appreciate what Mr Cifarelli has said. He speaks from a background of many years of experience in various functions. I can assure him that I will also take account of his thoughts in future policy in respect of these problems. I hope, however, that he will sympathize that particularly at this point of time, now

that the Community has three new Member States and in these new Member States above all a great deal has been turned upside down, many changes have to be made. At the moment we in Brussels shrink from issuing very detailed instructions and provisions on, in particular, such items as foodstuffs and so on. We must be very flexible in this connection and take account of the situation as it is.

Mr John Hill made an appeal for small bee farmers. There may be a few exceptions, but bee farmers in Europe are almost exclusively small. I absolutely agree with him when he says that they perform an important function for the rest of agriculture and horticulture. I find his appeal that their interests should be respected quite acceptable. He also asked if the directive covered a special sort of honey known as chunk honey. I have just looked through my papers, and I am sure that this is in fact the case. At the moment, however, I do not have any of my advisers here with me. I cannot therefore give Mr Hill the formal answer he would like to have. I would suggest that you include this in the amendment, then I will include it if I can. But I should really have my expert with me, but I am sorry, I really did not expect this question.

President. — Thank you, Mr Lardinois.

I call Mr Brugger.

Mr Brugger, rapporteur. — (D) Mr President, I should just like to say a few brief words on the Commissioner's remarks concerning the amendments which I have proposed on behalf of the Committee on Agriculture.

It does not matter whether we limit the use of 'Kunsthonig' to three or four years in Article 4. In my opinion the assurance given by the Commissioner is quite sufficient.

As regards the amendment to Article 8(1)(d) and (2), I should, however, like to add something. This is no doubt a solitary case, and these guarantees must be reflected somehow in an overall solution. This amendment, with exactly the same wording, was adopted by a large majority on 9 July 1970, when the first proposal was discussed by Parliament. In my view this amendment contains a fundamental safeguard for the consumer.

I should like to give an example in this connection. Let us look back to Article 6 of the Commission's proposal once again. The last paragraph states that 'in the case referred to under (b) a Member State may, as a transitional measure, refrain from making this term oblig-

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atory and allow the term "honey" to be used; the Council, on a proposal from the Commission, shall decide within five years starting from the date of notification of this Directive whether to retain or amend this derogation.'

What does paragraph 2(b) say? 'No foreign tastes or odours shall be permitted.' How is the consumer protected if a dealer or wine producer in one of the Member States imports honey from third countries — foreign honey — and blends it with honey from the Community and if we do not require this blended product to be marked as such? There will be no such marking if we do not adopt the amendment now before us. And I feel that this would open possibilities of falsification and, let us say, tricking the consumer. For this reason I would ask the Commissioner to support this amendment if it is adopted by Parliament.

As regards the amendment to Article 10 concerning the advisory activities of the Committee on Foodstuffs, I would refer the House to the remarks made by Mr Cifarelli. We felt in the Committee on Agriculture that the activities of the Committee on Foodstuffs should really be reduced to an advisory level and leave as much freedom as possible and all the responsibility to the Commission. Our objective in this is that the Commission should be able to take urgent measures without any delay and without having to wait for the committee's opinion. I should also point out that exactly the same amendment was put before Parliament on 9 July 1969, when the original proposal was under discussion, and was adopted by a large majority. I would therefore recommend Parliament to express the same opinion today.

President. — Does anyone else wish to speak?

The general debate is closed.

I have no amendments listed.

I put the motion for a resolution to the vote.

The resolution is adopted.¹

6. Regulation on special measures for soya beans

President. — The next item is the debate on the report drawn up by Mr De Koning on behalf of the Committee on Agriculture on the proposal from the Commission of the European Communities to the Council for a regulation laying down special measures for soya beans (Doc. 131/74).

I call Mr De Koning, who has asked to present his report.

Mr De Koning, rapporteur. — (NL) Mr President, I will endeavour to keep my presentation of this report as brief as possible.

The Commissions' proposal for special measures for soya beans is the result of a plan laid down in the Memorandum on the improvement of the common agricultural policy to encourage the cultivation of high-protein animal feedstuffs. We are all aware that the Community is very much dependent on the import of animal feedstuffs. The whole of our European meat production industry—beef and veal, pigmeat and poultrymeat—stands or falls with the supply of basic animal feedstuffs, principally from North and South America. Of the basic animal feedstuffs soya beans are one of the most important, and it is therefore obvious that if we intend to encourage the production of our own high-protein animal feedstuffs, we must primarily think of the cultivation of soya beans in the Community, especially when we recall the difficulties we faced two years ago when the United States restricted the export of soya beans to safeguard its own supplies.

The cultivation of soya beans is, however, dependent on the existence of both a certain type of soil and a certain type of climate, and according to the present state of the art, they can be grown reasonably successfully in only a restricted area of the Community. Even then their cultivation will, for the time being, merely be experimental, and only after a number of years have past will it be possible to say how production will develop in the long term. The Commission rightly bases its proposal on a very limited area of a few thousand hectares as a preliminary measure and does not expect the area to increase to more than a few tens of thousands of hectares in the immediate future.

I should like to ask the Commissioner responsible if in addition to taking the proposed measures, which are aimed at the fair pricing of soya beans, the Commission also intends to investigate the possibility of adapting the base material, the seed, and the technique of cultivation to European conditions so that, depending on the results of the investigations, soya beans can be grown over a larger area. As Members probably know, the cultivation of maize in the Community has extended northwards in very few years. Some years ago we were still thinking that maize could only be grown in southern regions, but now we see the area under maize growing very quickly in northern parts of the Community as well. I should like to know from the Commissioner whether he feels able with the

¹ OJ No C 85 of 18. 7. 1974.

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aid of suitable investigations to encourage similar developments in the cultivation of soya beans.

But even if we do succeed in putting a larger area under cultivation than seems likely at the moment, we shall remain dependent on imports from the United States and South America for a number of years. And it is essential for agriculture in the Community, and in particular the meat production industry, to be assured of supplies of basic materials from North and South America in the years to come. The Committee on Agriculture has pointed this out in the past; I should merely like to draw the Commissioner's attention to this point again and ask him whether he can say how he thinks supplies of this important product can be safeguarded to a greater extent than experience has shown has been the case in the past.

Mr President, the Commission is now proposing to encourage the cultivation of soya beans by granting a subsidy to offset the difference between the market price and the target price as agreed annually, in other words a form of deficiency payment. This is a rather unusual method for the Common Agricultural Policy, but the Committee on Agriculture feels that it is the most practical method for this product in the circumstances. The import of soya beans thus remains free and is not subject to any restrictive measures, and the production of soya beans in the Community is so small that there has never been any need to consider intervening in the past.

The idea of the subsidy, as I see it, is to offset the difference between the target price and the actual market price. The Committee on Agriculture feels that it is therefore very important for the market price to be established as accurately as possible after the marketing season has ended and for the subsidy then to be calculated and paid out. I do not want to go into detail, but our experience of subsidies being set in advance, on the basis of an estimated market price, has not been exactly satisfactory. We know this system, and it tends to cause difficulty every year.

In Article 2(2)(c) of its proposal the Commission says that the Council, acting by qualified majority, shall lay down the conditions under which advance fixing of the subsidy may be allowed, i.e. when it may fix the subsidy without knowing how the market will in fact develop. I should like to ask the Commissioner what conditions can be so important that the Council, be it by qualified majority, might think it necessary to adopt this unsatisfactory practice of fixing subsidies in advance.

Mr President, while critical of a number of points in the proposal the Committee on Agriculture feels that it should be approved, and I am confident that Parliament will accept the Committee's view.

(Applause)

President. — I call Mr Frehsee to speak on behalf of the Socialist Group.

Mr Frehsee. — *(D)* The rapporteur is right in saying that this House has approved special measures for the cultivation of soya beans. It adopted a resolution following a debate on the Commission's Memorandum. Parliament also approved the fixing of prices for soya beans within the framework of the proposed agricultural prices for 1974/75; but, Mr President, we expressed some doubts about these measures at the time, and I now feel obliged to express these doubts again and to make a few critical remarks on Mr De Koning's report, while congratulating him for the objectivity of his work.

It is true that we have to import from the world market 80% of the high-protein feedstuffs needed in the Community. That cannot be disputed, and attempts must undoubtedly be made to increase supplies of high-protein feedstuffs and to prevent, if possible, the Community from becoming overly dependent on imports. That is what the Commission's Memorandum says. That is all true, Mr President, but it is extremely doubtful whether the present proposal takes account of these necessities and objectives.

The Commission assumes that with the aid of this special measure the area under cultivation in the 1974/75 financial year will be 4 000 hectares and that with the subsidy this will increase to 50 000 hectares by 1978/79. In other words, Mr President, we will be able to meet 0.1% of our requirements this year and 1% in 1978/79 from our own production of soya beans. To this extent—as you will all agree—it is doubtful whether this measure will do very much to promote Community-grown supplies of high-protein feedstuffs. In addition, the whole system will cost an enormous amount of money. It will cost the EAGGF 280 000 units of account this year, and 3.5 million units of account in 1978/79. The effects is therefore hardly comparable with the expenditure.

Mr President, the major question is, however, whether production-promoting measures of the type envisaged here should be taken; they should really be limited to situations of acute shortage. It cannot be denied that we had a shortage of soya bean supplies in the autumn and even the late summer of last year. But it

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did not become acute. Nor does this measure satisfy the desire for supplies in the event of a shortage. The Socialist Group feels that such production-promoting measures should only be taken at times of acute shortage which cannot be eliminated with commercial policy measures.

Nevertheless, we adopted the resolutions, and we welcome the fact that a compromise has been reached, i.e. that this measure is not of a market organizing nature, that soya bean production has not been included, as the Commission originally intended, in the organization of the fat market. That, Mr President, would of course have been extremely annoying for our suppliers, particularly the United States, which imposed an embargo on soya beans in the early autumn and whose negative attitude towards the Community at that time will be strengthened if we introduce a market organization for soya beans of all products, 100% of which we have hitherto imported.

Moreover, there is a blemish on this proposal for a regulation: Articles 1 and 2 again speak of a target price, which means that the regulation contains an element of market organization; this might result in some lack of confidence or arouse the impression that the regulation represented an attempt to screen the European Community from outside, an undesirable and, in this sector, completely inappropriate measure.

Finally, Mr President, if the majority of this House vote in favour of a production-promoting measure of this kind and it is adopted by the Council of Ministers and if the 222 units of account for 1 ton of soya beans is applied in the price regulations, on the basis of which the subsidy of which the rapporteur has spoken will then be calculated, this subsidy, linked as it is to production, will naturally cause considerable problems. If we are going to have a subsidy, it should be linked to the area cultivated; that would not affect competition because it would be granted much earlier, namely at the time of planting.

All this can be seen simply as blemishes in this special Community measure. The Socialist Group will not vote against the regulation, because the majority were in favour on the previous occasion. It cannot, however, approve it either. It will therefore abstain.

President. — I call Mr Baas to speak on behalf of the Liberal and Allies group.

Mr Baas. — (NL) Mr President, I can keep what I have to say very brief. I would like to join the rapporteur in asking whether the possibility of producing soya beans on a large scale in Western

Europe has already been looked into and whether it is now likely that production can actually begin. I would ask the Commissioner if there are still possibilities of stimulating the study programme on encouraging the cultivation of soya beans. I would refer to the possibility of cultivating sunflowers in regions with a moderate climate in the future, and I would ask the Commissioner in this connection to look into the possibility of a better spread in the cultivation of cereals. We must take account of the fact that there will be, and must be, a decrease in the area under wheat because I feel that all too much emphasis is placed on wheat, as a foodstuff.

The question that then arises is of course—and I will not go into whether or not we must produce our own supplies because I do not consider it relevant—if sunflowers and soya beans can play a role in the future in the overall cultivation of cereals. I see more point in a long-term policy than in *ad hoc* policy that meets certain requirements. The Liberal and Allies group is prepared to support this. My last question in this connection is: what does the Commissioner think the final policy on sunflowers—and soya cultivation—will be in the future?

Mr President. — I call Mr Lardinois.

Mr Lardinois, member of the Commission of the European Communities. — (NL) Mr President, I should like to thank the rapporteur for the report that he has drawn up on behalf of the Committee on Agriculture.

I welcome the approval in principle that Mr De Koning has given to this proposal on behalf of his committee, and I should now like to answer the few questions that he and other members of the Committee on Agriculture have put on behalf of their groups.

Firstly, I can tell Mr De Koning that the Community will also be encouraging a suitable investigation into soya cultivation and sunflowers—a question also raised by Mr Baas. Its agricultural research programme will provide the necessary coordination and support for this.

Our proposal that in due course 50 000 hectares and perhaps in the somewhat longer term 100 000 hectares should be put under soya in the Community, does not in itself represent a large contribution to the Community's supplies of protein. That is not the point at all. The point is that experience will be gained and production will begin. We cannot know what the tendency will be as regards world food supplies in the 80's and 90's and what difficulties we will face.

Lardinois

We know that considerable changes can take place in but a few years, and if we have gained practical experience with a product such as soya beans, not just in one region, but, I hope, in various regions of the Community, its cultivation may be very important to us. I hope that this situation will not arise, because generally speaking it is better for us to import soya beans from North and South America since better soya beans can be produced there under more advantageous conditions. But I cannot predict what the future will bring, and for that reason I said about a year ago, when we had difficulties obtaining soya beans after access to the North American market had been greatly restricted, that we should submit a proposal for the launching of production in Europe and that the extent to which soya beans were grown in Europe should depend on our position on the North and South American markets. You should therefore regard these plans as a form of protection which we might need in the future, and secondly—and this consideration is of a subordinate nature although not without importance—the cultivation of soya beans should naturally and above all take place in areas of the Community which are a considerable distance from ports. At the moment, since all soya beans and other high-protein substances are imported, poultry and pig breeding is almost completely concentrated in areas around ports because of their natural geographical advantage. But this concentration is so pronounced in some areas that additional environmental problems have arisen. For this reason, too, some of these high-protein feedstuffs should be produced further away from the ports to bring about some measure of balance. In itself it is not so important whether the present situation and trade relations remain the same for the time being, but we can never know. Our experience last year has taught us how relations can change, and development on our part is a form of defence. Mr Frehsee should not attach so much importance to terms such as target price—if he has another name it is alright by me—and he should not see market organization in everything. Germany seems to be having some trouble with market organizations at the moment, but things will probably change again. I feel that we have found so flexible an arrangement here that even the North Americans, who do not completely trust us on this point, should not cause too much difficulty.

President. — Thank you, Mr Lardinois.

Does anyone else wish to speak?

The general debate is closed.

I have no amendments or speakers listed.

I put the motion for a resolution to the vote.

The resolution is adopted.¹

7. Directive on nursery products

President. — The next item is the debate on the report drawn up by Mr Martens on behalf of the Committee on Agriculture on the proposal from the Commission of the European Communities to the Council for a Council directive on the financing of publicity in respect of nursery products (Doc. 134/74).

I call Mr Martens, who has asked to present his report.

Mr Martens, rapporteur. — (NL) Mr President, I shall be brief. The proposal for a directive, which dates back to 26 October 1970, aims at the introduction of a system of anonymous advertising campaigns with the aid of financial contributions by firms engaged in floriculture. The proposal contains rulings to be applied in all the Member States as regards both the collection of the necessary funds and the setting up of bodies to administer these funds and the use to which they are put. On 23 March 1971 Mr Zaccari, a member of the Committee on Agriculture, presented a very detailed report, which constituted a thorough investigation of the advantages and disadvantages of the proposal. The committee did not, however, reach a decision. The Economic and Social Committee also discussed the proposal for a directive in detail and decided on 22 February 1973 not to deliver an opinion on the matter but to refer the proposal back to the Commission stating that it considered it necessary for a new proposal to be submitted, which took account of the remarks made in the report drawn up by the members of the agricultural section. The main points of controversy as regards the proposals can be divided into two groups: the legal basis and the extremely bureaucratic tendency in respect of the collection of contributions, the spending of money and the administration of the fund. The Committee on Agriculture has not looked into the legal basis any further since it feels this does not fall within its terms of reference, but principally because even if it has a sound legal basis, the proposal does not seem to be operational. Your committee agrees with the objectives of the proposal, namely the promotion of sales and harmonization of advertising campaigns, but feels that the proposed instruments will not be workable, in view of the bureaucratic tendency which clashes with the spirit of

¹ OJ No C 85 of 18. 7. 1974.

Martens

the Lardinois Memorandum of 1973, which among other things aimed at reducing the number of regulations and directives from 300 to about 30. From the annexes to the report it would seem that most Member States already have organizations for the promotion of sales, which although not all cast in the same mould, work very well. They may not be altogether innocent of causing a certain amount of distortion of competition, but this does not in itself mean that they should simply be replaced by the system described in this proposal for a directive. The Committee on Agriculture has therefore decided, unanimously with one abstention, to ask the Commission to submit a new proposal. It feels that organized, collective, anonymous advertising campaigns to promote the sale of flowers and decorative plants is a very good idea and could be harmonized, but in view of the objections I have just mentioned it cannot deliver a favourable opinion on the Commission's proposal.

(Applause)

President. — I call Mr Lardinois.

Mr Lardinois, member of the Commission of the European Communities. — (NL) Mr President, I should like to congratulate Mr Martens on his report, in spite of the fact that it is anything but in favour of the proposal put forward by one of my great predecessors a few years ago. I must say that the Committee on Agriculture has, as it were, brought out the big guns in its arguments. What impresses me most is the fact that the committee was almost unanimous in finding that we should drop this matter. As the Commission attaches a great deal of importance — also as regards policy — to remaining on good terms with Parliament, I am prepared to withdraw this proposal if Parliament accepts the views of the Committee on Agriculture.

President. — Thank you, Mr Lardinois.

Does anyone else wish to speak?

The general debate is closed.

I have no amendments listed.

I put the motion for a resolution to the vote.

The resolution is adopted.¹

8. *Regulations on Community tariff quotas for bulls, cows and heifers*

President. — The next item is the debate on the report drawn up by Mr Baas on behalf of the

Committee on External Economic Relations on the proposals from the Commission of the European Communities to the Council for:

- I. a regulation on the opening, allocation and administration of the Community tariff quota of 30 000 head of heifers and cows, not intended for slaughter, of certain mountain breeds, falling within subheading ex 01.02 A II b 2 of the Common Customs Tariff,
- II. a regulation on the opening, allocation and administration of the Community tariff quota of 5 000 head of bulls, cows and heifers, not intended for slaughter, of certain Alpine breeds falling within subheading ex 01.02 A II b 2 of the Common Customs Tariff (Doc. 146/74).

I call Mr Baas, who has asked to present his report.

Mr Baas rapporteur. — (NL) Mr President, if the Commissioner will be as flexible with this proposal as he was with the last, I think we can quickly deal with the very delicate problems concerned.

As you can imagine the proposal made by the Commission in this regulation on the importation of breeding cattle from mountainous areas only to allow such cattle to form part of the quota if it is not immediately slaughtered, made a very strange impression, to put it mildly, on both the Committee on External Economic Relations and the Committee on Agriculture. Years ago we accepted the import of breeding cattle for mountainous areas with the express intention of improving cattle production in those areas. But if this regulation and its implementation are used to import cattle for slaughter in some way, you can imagine that we have very serious objections. That is why the Committee on External Economic Relations proposes a number of amendments, which are very much a matter of principle and which were the subject of long discussions in both committees. I shall confine myself to appealing to the Commissioner to consider these amendments very seriously. Otherwise, this debate may well go on for a long time, and I do not think that this is the most favourable moment for that.

With regard to Article 2, I should like to ask the Commissioner to pay particular attention here to ensuring that some progress is at last made in the harmonization of national provisions in the field of public health and the distribution of Community quotas.

We feel that harmonization of public health measures is an important task for the Community. It is not in the Community's interests to

¹ OJ No C 85 of 18. 7. 1974.

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have to ensure that these measures are enforced at the frontiers of the Member States, if they are retained. I should also like to ask the Commissioner to stop allocating quotas through Member States and to have this allocation effected by the Community itself.

That is all I wish to say. I have kept my remarks brief and would appeal to other Members to do the same. We could have a very long debate on this subject because it is very much a matter of principle, but if the Commissioner is prepared to take account of the views and wishes of the two committees on the extension of the quota for a certain period, I feel that this Parliament can leave it at that.

(Applause)

President. — I call Mr Lardinois to give Parliament the Commission's views on the amendments proposed by the committee.

Mr Lardinois, member of the Commission of the European Communities. — *(NL)* Mr President, I should like to compliment Mr Baas on the thorough report he has drawn up on this subject. I feel he is right in saying that this is not simply a routine matter and there is a little more behind it. Generally speaking he has put in a plea with regard to these imports for somewhat more stringent provisions and measures than we originally proposed. In principle, I have nothing to say against this. If Parliament agrees, I shall work towards more stringent provisions for these imports. But I hope that Parliament will not commit us to a specific formula because we are obliged, as a result of talks that have been held within the framework of EFTA and treaties that have been concluded to try and find solutions to this kind of problem in joint considerations with the countries affected—principally Austria and Switzerland. In other words, if Parliament decides that we should adopt a stronger approach than we of the Commission originally intended, I shall say that I agree, but ask you to give us enough scope to really be able to consider these matters with the third countries most affected by this, namely Austria and Switzerland, for whose agricultural industry this subject is important.

Secondly, I can accept what Mr Baas has said on the harmonization of legislation; it will probably please him to hear that we have not submitted a programme to the Council so as to achieve a tight time-table in this field, in which we can consequently say that real progress has been made.

President. — I call Mr John Hill.

Mr John Hill. — Mr President, all I wanted to say was that we welcome the extension of this trade as compared with an earlier regulation, but would like to emphasize the importance of maintaining strict health checks. Mr Baas has referred to this, and because now some of these breeds are travelling long distances to the mountainous parts of the United Kingdom, I hope the Commission will be vigilant about the welfare of the live stock in transit on these long journeys.

President. — I call Mr Laban.

Mr Laban. — *(NL)* I shall keep this very brief. I was extremely interested in how the Commissioner would react to the remarks made by Mr Baas on the administration of the quotas. I feel, however, that the Commissioner did not react at all, and I would ask him to do so now.

President. — I call Mr Lardinois.

Mr Lardinois. — *(NL)* Mr president, I apologize to the rapporteur for overlooking this aspect in this morning's rush. I would say that a Community tariff quota distribution through the Member States cannot be avoided. It is not possible administratively or otherwise. It is a distasteful system, and we do not like it, but it is also the reason why we generally try to avoid tariff quotas in agricultural policy as a whole, cost what it may. We have always done this, not always successfully, because we have sometimes had to resort to this measure. Distribution through the various Member States is therefore necessary, notwithstanding the complicated nature of all the customs formalities, controls and so on. That is my answer to the rapporteur's question.

President. — Thank you, Mr Lardinois.

Does anyone else wish to speak?

The general debate is closed.

I have no amendments listed.

I put the motion for a resolution to the vote.

The resolution is adopted.¹

9. *Oral Question without debate: Aid for greenhouse cultivation*

President. — The next item is the oral question without debate put by Mr Martens to the Commission of the European Communities on sup-

¹ OJ No C 85 of 18. 7. 1974.

President

port measures for greenhouse cultivation (Doc. 141/74). The question is worded as follows:

Subject: support measures for greenhouse cultivation

The increase in the price of oil products is having such a serious effect on the economic feasibility of greenhouse cultivation that several Member States have already taken measures to support undertakings of this kind

The measures taken consist of either direct grants or financial support for the conversion to cheaper energy sources.

It is reported that:

France is to set aside 22.5 million French francs for the cultivation of flowers and 25 million francs for the cultivation of vegetables;

In Germany the Federal Government has made available 23 million DM quite apart from support given by the Länder;

The Netherlands is to spend:

7 million florins on conversion to natural gas,
3 million florins on scientific research in this connection,

10 million florins on payments for the cessation of activities,

2 million florins interest rebates on bridging credits,

25 million florins on outright or repayable bridging credits;

The United Kingdom has spent £7 million;

Italy is to reimburse 20 lire per litre of fuel.

The Commission is asked:

1. Whether or not the list of measures given above is accurate;
2. What repercussions these measures are having on the cost price of vegetables, cut flowers and pot plants;
3. Whether or not these measures should be condemned as distortions of competition;
4. Whether it intends to harmonize this support in all Member States, and if so, by taking what measures?

I call Mr Martens to present his question.

Mr Martens. — (NL) Mr President, when I put my question on 27 May, I did not have the information contained in the Commission's document COM (74) 2200. I should like to thank the Commission for this useful document, which answers part of my question. Annex VII covers national support measures taken in the autumn and Annex VIII new support measures up to 8 May. This includes direct and indirect support measures for greenhouse cultivation. They are being taken to combat the energy crisis, which is having a particularly disadvantageous effect on the cost of cultivation under glass, without the increase in cost prices being passed on to the buyer. I feel that the support measures are undoubtedly acceptable in the present cir-

cumstances, but it is a pity that harmonization cannot be achieved at Community level. Producers in some Member States have a feeling that the situation is being abused in that measures are being taken which distort competition. My question therefore remains: which of the measures taken in the various Member States are considered to conflict with the rules of normal competition, and what action does the Commission intend to take to achieve harmonization of planned support measures for greenhouse cultivation?

President. — I call Mr Lardinois.

Mr Lardinois member of the Commission of the European Communities. — (NL) Mr President, I should like to begin by congratulating Mr Martens on the proposal that he has submitted on behalf of the Committee on Agriculture. Mr Martens' question is one which at the moment forms the centre of interest in horticulture, above all in the north of the Community. And rightly so, because the greenhouse cultivation industry has suffered more than any other branch as a result of the energy crisis and the increases in prices it has caused. I say this in introduction. Now to the question itself. All the Member States concerned did in fact apply to the Commission in good time for authorization to take the measures that have been taken. As regards the Netherlands, I should also point out that some measures have also been taken in respect of the fishing industry. The money is not therefore being used solely for greenhouse cultivation. According to information received, the Italian measures consist in exemption from excise duty and a lower VAT rate on oil products used in agriculture. Similar measures have been adopted in the majority of the Member States. The affect of increased energy costs on production costs in agriculture and horticulture vary from one Member State to another and depend on methods of cultivation, heating systems, fuels used, the oil companies' stockpiling policy and the price of special fuels.

It is therefore impossible within the framework of this answer to put an accurate figure to each of the sectors or to the Community as a whole. The Commission has hitherto not opposed the granting, in view of increased energy prices, of short-term—and I emphasize short-term—bridging credits to greenhouse cultivators and coastal fishing, sectors which have been much harder hit by the energy crisis than other sectors.

A memorandum which we have submitted to the Council lays down strict criteria, and we hope that the Council will take an appropriate

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decision on 15 July to the extent that this matter falls within its terms of reference, the Commission naturally having to retain its rights.

President. — Thank you, Mr Lardinois.

I have no motion for a resolution on this oral question.

This item of the agenda is therefore closed.

10. Decision on procedures of the Standing Veterinary Committee

President. — The next item is the debate on the report drawn up by Mr Gibbons on behalf of the Committee on Public Health and the Environment on the proposal from the Commission of the European Communities to the Council for a Decision on the procedures of the Standing Veterinary Committee (Doc. 147/74).

I call Mr Gibbons, who has asked to present his report.

Mr Gibbons, rapporteur. — Mr President, this report deals with a proposal from the Commission to the Council for a decision on the procedures of the Standing Veterinary Committee. These procedures have on several occasions in the past been criticized by the Committee on Agriculture, the Committee on Public Health and the Environment and indeed by Parliament itself. And now again the Committee on Public Health and the Environment, on whose behalf I am presenting this report, has serious reservations concerning the Standing Veterinary Committee.

There are five EEC directives and one decision on veterinary matters which contain a provision under which the drafts of matters to be adopted may be referred by the Commission to the Standing Veterinary Committee for its opinion. The committee delivers its opinion by qualified majority voting, and where this opinion is in agreement with the Commission's proposal the Commission must adopt the proposal. Where the committee disagrees with the proposal and does not give an opinion, the matter is referred for decision to the Council. Since the directives provide that the reference of veterinary matters to the Standing Veterinary Committee shall apply only for a period of 18 months from the time of first reference and since this period ended on 21 June last, the Commission has now submitted this proposal for a decision to the Council. It contains the following amendments:

The first is that the reference to 18 months is deleted, thus making permanent the procedures by which veterinary matters are referred to the

Standing Veterinary Committee. And the second is that the Council's power of refusing to take the measures proposed by the Commission is taken away.

It is obvious from this proposal of the Commission that no account has been taken of the view of this Parliament, which, as I have already said, has frequently expressed its doubt about the advisability of establishing committees with other than purely consultative advisory functions. The procedures of the Standing Veterinary Committee give it a great deal more than mere advisory functions in respect of reports like the Behrendt report or the report of Miss Lulling on animal feeding stocks, or the Orth report on fresh poultrymeat.

It has been pointed out that the Standing Veterinary Committee may only act in an advisory capacity. It is not proper for the Commission to transfer some of its powers to a committee, nor should the Commission be bound by the committee's opinion. It should take on its own responsibility and be in a position to take measures that differ from the committee's opinion. This is necessary to ensure that proper control by the European Parliament is maintained in the veterinary sector.

On the other hand, the committee welcomes the second amendment proposed by the Commission which prevents the Council from blocking Commission measures by simple majority decision. As the Commission has been given responsibility by the Council to decide on certain measures, the Council should not be in a position to block such decisions. It is felt that under such a system the Commission's terms of reference are gradually being transferred to the Council.

In considering the Commission's proposal for a decision one cannot fail to notice that the Commission is seeking to amend the existing directives by means of a decision. Under Article 100 of the Rome Treaty directives are made by a unanimous decision of the Council of Ministers, and the decision can be adopted by a qualified majority under Article 43 of the same Treaty. There is a danger to principle here, if something which can only be adopted unanimously can be amended by a majority vote.

While the Standing Veterinary Committee can play an excellent role in speeding up the decision-making process in relation to veterinary matters there is also another danger under its present procedures which is of particular concern to some of the Member States, in particular Ireland, Denmark and the United Kingdom. As Members of Parliament well know there are certain animal diseases which exist in the mainland of Europe which are not found in the coun-

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tries which I mentioned—the three new Member States of the Community. In order to safeguard against the spread of these diseases—for instance diseases in poultry, swine fever, foot and mouth disease—there must be very definite controls in imports of poultry and animals into disease-free areas.

At this juncture it may also be recalled that quite recently this Parliament has been considering the objections made in the Orth report to the system adopted in Great Britain and in Ireland for the dressing of poultry. There seems to be some similarity there at any rate. But it must be clear to the Members of this House that the preservation of the disease-free status of Great Britain and Ireland and Denmark, varying as it does in each of the three countries, ought to be preserved in the interest of the Community as a whole. As the Standing Veterinary Committee adopts its opinions by majority vote there is also a danger that commercial considerations may override veterinary precautions, which would expose the livestock trade generally—poultry, beef and pork—in the new Member States to very serious health hazards.

Mr President, these are some of the ideas that should be kept in mind when considering the procedures of the Standing Veterinary Committee. The resolution expresses the anxiety of both the Committee on Public Health and the Environment and the Committee on Agriculture about certain aspects of the procedures of the Standing Veterinary Committee. As a member of both the parliamentary committees I recommend the unanimous adoption of this resolution by the House.

President. — I call Mr Baas to speak on behalf of the Liberal and Allies group.

Mr Baas. — (NL) Mr President, I shall keep my remarks brief. Firstly, I should like to apologize on behalf of Mr Bourdellès who drew up the opinion of the Committee on Agriculture. We were somewhat surprised, Mr President, that the committee responsible adopted its position as long ago as mid-June. It was to be expected—and in fact this was the case—that the Committee on Agriculture would adopt a more fundamental approach and ask the question: is a committee of experts now being given the power to deliver a binding opinion while Parliament has not been able to acquire the same position after all these years? This is essentially the crux of the matter which we have discussed in very great detail, particularly in 1965/66 when these committees began to be set up. Experts should of course be heard, and we must acknowledge the very great value of experts in the

Member States. But the fact that these committees have been given powers which have been withheld from Parliament has been discussed in very great detail and regretted particularly by the Committee on Agriculture.

I shall keep my remarks brief, but I should like to say a few words on behalf of Mr Bourdellès in defence of the amendment that has just been discussed. Unfortunately we cannot go as far as the rapporteur would like Parliament to do and approve the motion for a resolution contained in the report drawn up by the Committee on Public Health and the Environment. We feel that the amendment proposed by the Committee on Agriculture should be discussed.

Mr President, the time factor has played a role here, and I should like to make a critical remark in this connection. Parliament received this proposal at the beginning of June; at the end of June the decision must come into force or there will be an interim period during which no provisions will govern this veterinary field. We really must protest at this situation, because we object to Parliament being forced to take a decision under the pressure of the thought that if it does not do so, there will be no provisions to govern this area. The Commission should have known that a fundamental problem is concerned. I therefore hope that the Commissioner will assure us that the Commission will take greater account of this in the future.

I would remind the House of our point of view in 1965/66. I can imagine that the Commissioner will be having trouble with this amendment before long. He is unlikely to be able to accept it. I would, however, ask Parliament, and above all the many new Members who did not take part in the discussion in 1965/66, to follow the course taken by the older Members. It is surely unacceptable as a matter of principle for a committee of experts to receive given executive powers while an opinion delivered by Parliament is still disregarded in 1974. I welcome the fact that this subject has come up at a moment when the political situation in the Communities is such that this very situation and this very development are being considered, and the Commission is again asked to direct its efforts towards obtaining for us the powers in the context which must not be withheld from this Parliament. If we are prepared to accept the political responsibility for the implementation of a given regulation, we should not at a given moment be hiding behind a group of experts, as this proposal would have us do, but, we feel, attaching greater value to supranational political responsibility.

President. — I call Mr Patijn.

Mr Patijn. — (NL) Mr President, I have asked for the floor on my own behalf to make a few brief remarks on two points.

My first remark concerns Article 2 of the text proposed by the Commission. The Commission rightly assumes that the possibility of blocking action, which has unfortunately been included in a number of directives by the Council in the past, must be scrapped. The decisions to which amendments are now to be made—I looked them up this morning—offer two ways of blocking action: the blocking of decisions which the Council must take within 15 days and of decisions which it must take within 3 months. My question is whether the Commission is aiming with its proposal, which is worded somewhat vaguely, at abolishing the possibility of blocking action in both cases. This is not clear from the proposal since Article 1 does not refer to the two types of article in the directives concerned. As you can imagine, I am in favour of the blocking possibilities being scrapped in both cases since this impossible state of affairs, which in my view is also in contravention of the EEC Treaty, must disappear as quickly as possible. The Jozeau-Marigné report drawn up in the past on this subject, namely management committees, points in the same direction, and we once had a detailed discussion on this matter with Mr Rey in this Parliament.

My second remark—and my last, Mr President, in view of the time—concerns the amendment defended here by Mr Baas on behalf of the Committee on Agriculture, the amendment proposed by Mr Bourdellès. There is one thing which I do not understand. The Committee on Agriculture proposes that the Council should be able to take a different decision within 15 days—in the form of a different regulation, a different decision or a different directive—under the procedure laid down in Article 43 (2) of the EEC Treaty. If I understand Mr Baas' statement correctly, the procedure should now be as follows: the Commission establishes measures for immediate application and if the committee does not agree, submits them to the Council. In the latter case the Commission can hold up the implementation of the measures it has adopted for fifteen days. Then the Council must take another decision within fifteen days. However, under the procedure outlined in Article 43 Parliament must first be consulted. If the intention is to apply the voting procedure described in Article 43, the Council must take a decision by a qualified majority. But then I do not understand the amendment. Because the Council cannot take a decision within fifteen days since two months will undoubtedly pass before Parliament has delivered its opinion. Is the intention to adopt the voting procedure laid down

in Article 43 or does the Committee on Agriculture in fact mean a very fast procedure lasting fifteen days, after which Parliament has two months' time? Because we will always need at least two months: a rapporteur must be appointed and so on. If we do things quickly we can manage it before the following part-session, in other words a month. The question I would ask Mr Baas on this amendment is whether it is really necessary for us to be consulted? Are these not typically technical matters which we should approve as a matter of course? Why are we going to all this trouble to prolong the procedure in this respect; is it really worth the trouble of being consulted?

I hope that the author of the amendment can give me an explanation on this.

President. — I call Mr Lardinois.

Mr Lardinois, *member of the Commission of the European Communities.* — (NL) Mr President, we should really have more time for so interesting a debate than is available. But I will abide by your request and keep my remarks as brief as possible.

One of the reasons why I should like to thank Mr Gibbons, the rapporteur, for his report is that he largely approves the Commission's proposals, in spite of difficulties and some objections. Mr Patijn has asked if the blocking measure can be dropped, not simply for one but for both provisions. There is talk here of an anomaly, which the Commission, too, has always opposed. This has got to stop. I am in complete agreement on this point with Mr Patijn. Of course, like Parliament, the Commission does not need to be happy with what remains. I know how this committee procedure came into being. It took not hours, but days of discussion in the Council before some of the Member States were prepared to take the first steps towards a Community policy in this field.

However, although we are not too happy with this committee procedure, I must urge Parliament to approve the proposal, leaving aside what disturbs Mr Patijn so much for the moment, especially as we now have three new Member States.

With what Mr Gibbons said on preventing the spread of animal diseases to areas which are not at present affected by them I can but wholeheartedly agree. He warned against allowing commercial considerations to override human or animal health considerations. I agree, but we must also make sure that so-called veterinary regulations are not issued which in fact have as their goal a certain kind of protectionism in

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respect of trade. It is therefore essential for a Community policy to be mapped out and for the Commission and Council to receive clear powers. On the other hand, we must of course remember that not only can commercial considerations play a role but that the well-understood interests of the Common Market require that areas which are not at present affected by diseases must also remain free of them.

Mr Baas once again pointed out—and rightly so—that this opinion had to be drawn up at very short notice. I should like to offer our apologies for this, but also thank Parliament for dealing with the matter so quickly in spite of these difficulties.

Once again, this proposal is not easy, and I understand the objections raised by Parliament, but I would ask you not to change the original proposal further by adopting the amendment proposed by the Commission on Agriculture, which—and here I must applaud Mr Patijn—was probably drawn up under the pressure of time and leaves a great deal to be desired as regards clarity.

President. — Thank you, Mr Lardinois.

I call Mr Baas.

Mr Baas. — (NL) Mr President, I should like to take up what Mr Patijn said. This or that may be somewhat lacking in clarity because I had to replace the rapporteur so suddenly, and in the Committee on Agriculture as well we may have expressed ourselves rather carelessly due to the lack of time. I therefore think that we should ask the Commission if we can exchange views with it in the immediate future on the place, position and responsibilities of these committees. Like the Committee on Agriculture I feel—and this applies not only to the committee procedure but generally to the implementation of the various measures—that we as a Community must surely have now reached a situation in which Parliament is given the opportunity to intervene in a discussion or exchange of views between the Council and the Commission. That was in essence our intention, and if Mr Lardinois will give us an assurance on this point, I am prepared to withdraw the amendment. We would like more time and opportunity to discuss this politically extremely important matter on the basis of a detailed report. We cannot settle these legal matters with a wave of the hand. I will therefore withdraw my amendment, provided that Mr Lardinois is prepared for his part to exchange views with the Committee on Agriculture on the operation of the committees of experts.

President. — I call Mr Lardinois.

Mr Lardinois, member of the Commission of the European Communities. — (NL) Mr President, Mr Baas' suggestion seems very useful to me, and I assure him that I am prepared to discuss with Parliament's Committee on Agriculture the operations and functions of the various committees which have to do with the agricultural policy.

President. — Does anyone else wish to speak?

We shall now consider the motion for a resolution.

Amendment No 1, tabled by Mr Bourdellès on behalf of the Committee on Agriculture, has been withdrawn.

I have no amendments or speakers listed.

Does anyone wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted.¹

11. *Regulation on the application of social security schemes to migrant workers and their families*

President. — The next item is the vote without debate on the motion for a resolution contained in the report drawn up by Mr Alfred Bertrand on behalf of the Committee on Social Affairs and Employment on the proposal from the Commission of the European Communities to the Council for a Regulation amending Article 107 of Regulation (EEC) No 574/72 of the Council of 21 March 1972 fixing the procedure for implementing Regulation (EEC) No 1408/71 on the application of social security schemes to employed persons and their families moving within the Community (Doc. 165/74).

I have no speakers or amendments listed.

Does anyone wish to speak?

I put the motion for a resolution to the vote.

The resolution is adopted.¹

12. *Dates and agenda for next part-session*

President. — There are no other items on the agenda.

¹ OJ No C 85 of 18. 7. 1974.

President

The enlarged Bureau proposes that our next sittings be held at Strasbourg during the week from 8 to 12 July 1974.

Are there any objections?

That is agreed.

The enlarged Bureau proposes that Parliament adopt the following agenda for the next part-session:

Monday, 8 July 1974

4 p.m. and possibly 9 p.m.

- Commission statement on action taken on opinions of Parliament;
- Motion for a resolution on the Dollard nature reserve;
- Oral Question with debate by Mr Durieux on behalf of the Liberal and Allies Group to the Commission on agricultural prices;
- Report by Mr Bourdellès on animal and plant health;
- Report by Mr Bourdellès on pigmeat;
- Report by Mr Ligios on forestry measures;
- Report by Mr Liogier on tomato concentrates;
- Report by Mr Gibbons on a new representative rate for the Italian lira;
- Report on cereals;
- Report on wines from Morocco, Algeria, Tunisia and Turkey;
- Report by Mr Cousté on data processing.

Tuesday, 9 July 1974

11 a.m. and 3 p.m.

- Question Time;
- Oral Question with debate by Mr Patijn to the Council on economic, industrial and technological cooperation;
- Oral Question with debate by Mr Durieux to the Council on simplification of the institutional structure;
- Debate on the state of the European Community.

Wednesday, 10 July 1974

10 a.m. and 3 p.m.

- Presentation and discussion of the supplementary report by Mr Brugger on the European Company.

The time limit for tabling amendments to this report has been set for 10 a.m. on Tuesday, 9 July 1974.

Thursday, 11 July 1974

10 a.m., 3 p.m. and possibly 9 p.m.

- Vote on the motion for a resolution contained in the supplementary report by Mr Brugger on the European Company;
- Joint debate on the report by Mr Leonardi on the hearing of experts on energy supplies and on the report by Mr Pintat on a new energy policy strategy for the Community;
- Oral Question with debate by Mr Creed to the Commission on regional policy;
- Report by Mr Noè on plutonium recycling;
- Report by Mr Flämig on the multiannual research programme.

Friday, 12 July 1974

9.30 a.m. and 3 p.m.

- Report by Mr Della Briotta (without debate) on the control of carnation leaf-rollers;
- Report by Mr Seefeld on food aid;
- Report by Mr Sandri on international price movements;
- Report by Mr Knud Nielsen on generalized preferences;
- Report by Mr Herbert on the customs territory of the Community.

Are there any objections?

The agenda for the part-session from 8 to 12 July 1974 is adopted.

During the July part-session at Strasbourg speaking time for the reports on the agenda that has just been adopted will be allocated as follows:

- 15 minutes for the rapporteur and one speaker for each political group;
- 10 minutes for other speakers.

On Oral Questions, speaking time will be limited to:

- 10 minutes for the author; and
- 5 minutes for other speakers.

As regards the debate on the report drawn up by Mr Brugger on the European Company the President may submit specific proposals on

President

speaking time at the beginning of the July part-session.

I call Lord Mansfield on a procedural motion.

Lord Mansfield. — Mr President, I have only one remark to make, and that is about proposed speaking times. I appreciate that the President may make a special declaration so far as Mr Brugger's report is concerned. All I want to say is this: it is quite impossible for anybody to treat the matter as it deserves to be treated in the time allocation that you have announced. There is a great deal in this report which is of the greatest importance to every citizen in every country of the Nine. It will reflect on Parliament and its method of conducting its business if we have this absurd sort of timetable, and I ask therefore that between now and July further thought may be given to this difficult problem.

President. — Lord Mansfield, I have just announced that the President reserves the right to decide on a special arrangement for speaking

time in the debate on the Brugger report and that he will make an announcement on this at the beginning of the July part-session after the Bureau has discussed the matter.

13. Adjournment of the session

President. — I declare the session of the European Parliament adjourned.

14. Approval of the minutes

President. — Rule 17 (2) of the Rules of Procedure requires me to lay before Parliament, for its approval, the minutes of proceedings of this sitting which were written during the debates.

Are there any comments?

The minutes of proceedings are approved.

The sitting is closed.

(The sitting was closed at 12.05 p.m.)

