

Annex

Official Journal

of the

European Communities

No 1-277

English edition

Debates of the European Parliament

1981-1982 Session

Report of Proceedings

from 16 to 20 November 1981

Europe House, Strasbourg

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NOTE TO READER

Appearing at the same time as the English edition are editions in the six other official languages of the Communities: Danish, German, Greek, 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: *(DA)* for Danish, *(DE)* for German, *(GR)* for Greek, *(FR)* for French, *(IT)* for Italian and *(NL)* for Dutch.

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IN THE CHAIR: MRS VEIL

President

(The sitting was opened at 3 p.m.)

1. *Resumption of the session*

President. — I declare resumed the session of the European Parliament which was adjourned on 5 November 1981.

2. *Approval of the minutes*

President. — The minutes of the sitting of Thursday, 5 November 1981 have been distributed.

Are there any comments?

I call Mr Kallias.

Mr Kallias. — (GR) I should like to make a brief statement. Under the electronic voting system I inadvertently voted 'I abstain' instead of 'No' and vice versa in all cases. Even though this does not significantly affect the issue, since only the 'Yes' votes are counted, none the less for precision's sake I should like this to be noted in the annex to the minutes on the voting. I have already written to you on this subject.

President. — The necessary amendments have already been made.

I call Mrs Ewing.

Mrs Ewing. — Madam President, with regard to the voting last week, which was highly complex, may I raise the problem — which is, pretty rare — of the breakdown of machines. Because of the breakdown we had a pause which was not anticipated and this very understandably led Members, who had been voting from nine o'clock in the morning, to do very many different things. This meant that those particular amendments that came immediately after the break fell, although there had been promised a clear majority of at least 218 votes for them. I was one of the victims but I know I was not alone in this. I am really just raising this to get it on the record because I know, Madam President, that you yourself did everything possible to try and persuade everyone to come back by ringing the bell and by extending the break. But Madam President, for those of us who failed because of that rather unfortunate accident could I at least just raise the point as a point of order? I know that other amendments suffered the same fate. Is there anything at all that can be done? I am not hopeful, but I ask the question.

President. — There is absolutely nothing that can be done: we have fixed times for voting, at which everyone is supposed to be present. It is true that on occasion we have delayed the resumption so as to leave colleagues time to arrive, but we cannot hold back our work indefinitely. All we can do is to encourage our colleagues to make an effort to be present!

(Parliament approved the Minutes)¹

¹ *Membership of Parliament — Membership of committees — Appropriations — Petitions — Referral to Committees — Referral to committee (Rule 49 (6)) — Documents received: see Minutes.*

3. *Order of business*

President. — The next item is the order of business.

At its meetings on 13 and 28 October and on 4 November 1981, the enlarged Bureau drew up the draft agenda which has been distributed to you (Doc. PE 75/295). At the meeting held this morning with the chairmen of the political groups, a meeting provided for by the Rules of Procedure, it was decided to propose various amendments.¹

I call Mr Welsh.

Mr Welsh. — I should like to refer to Rule 55 of the Rules of Procedure in respect of Doc. 1-669/81, which has been tabled under the urgency procedure and which concerns the negotiations to renew the Multifibre Arrangement. As you will be aware, Madam President, the Council has had the greatest difficulty in achieving unanimity on a mandate to give the Commission all these vital negotiations and it is not too much to say that time is very rapidly running out. The Council is having a special meeting tomorrow, Tuesday, in which it will, at the last gasp, try and put together its mandate. I would like to suggest that this particular resolution be moved to Wednesday's agenda because the Council will be present and they will therefore be in a position to make a statement on the outcome of that special meeting the day before. I would submit to you, Madam President, and to colleagues that it is extremely important that if Parliament wishes to play its full part in these important matters it must be able to debate these things in the presence of the other institutions and therefore I would like under Rule 55 to ask you to put the motion that this be taken on Wednesday and not Thursday.

President. — We are dealing here with a request for urgent procedure. As you know, it is tomorrow that pursuant to the Rules of Procedure the group chairmen will be meeting, with myself in the chair, to decide what requests for urgency shall be adopted for the debate on Thursday evening. As I have not received a request to amend the agenda on the basis of Rule 55 of the Rules of Procedure, there is no possibility of amending the agenda as you wish.

I call Mr Welsh.

Mr Welsh. — Madam President, with all deference to your ruling, I do not think that there is anything actually in the Rules of Procedure that says that urgency motions have to be taken on Thursday night, and

therefore if you decide to grant this motion of urgency tomorrow at your meeting, could you consider placing it, none the less, on the order paper for Wednesday?

President. — It was decided, when drawing up the agenda, that urgencies would be taken on Thursday evening. We cannot go back on that.

I call Mrs Ewing.

Mrs Ewing. — Madam President, on the question of the fishing debates as they have such a late place on Thursday's agenda and as it has been known for the last items on a Thursday not to be reached, and in view of the fact that fishing, of all subjects in the Community is perhaps at the moment the most urgent, and as a debate in this Parliament would no doubt be helpful to the final deliberations that hopefully we are going to see held quite soon in Brussels, would there not be some reason to deal with fishing before some of the other items on Thursday or at some other time, by agreement of the groups and the Bureau? Could this at least be raised in the Bureau?

President. — I would remind you of the Rules of Procedure, Mrs Ewing: any request to amend the agenda must be submitted one hour before the opening of the sitting.

I call Mr Patterson.

Mr Patterson. — Madam President; I want to ask about item 288 on our agenda which I understand is going to be taken. The draft agenda is less than revealing as to what this document is about. There is no rapporteur and no document number. Could I ask you what the document number is and whether it is available and, secondly, although it is being taken without debate, is it possible to table amendments? If we can table amendments, what is the new deadline for doing so?

President. — The documents will be distributed in the normal way. It was the committee responsible — the Committee on Social Affairs and Employment — that wanted the procedure without debate. As to the deadlines for tabling amendments, we shall be coming to that.

I call Mrs Kellett-Bowman.

Mrs Kellett-Bowman. — Madam President, I regret to say that you have not satisfactorily answered my friend, Mr Patterson's request for information on item 288. We still do not know the number of the document

¹ See Minutes.

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which you have said is going to be circulated, and still less do we know the rapporteur thereof.

President. — As there is no report, there will not be a rapporteur.

I call Mr Patterson.

Mr Patterson. — Madam President, there must be some misunderstanding. I understand that there is a report but that it is a report without debate. That is quite a different thing from no report. If it is a report that has gone through the committee I suspect it is the Oehler report, so could you confirm this, Madam President?

President. — I have just received confirmation that there is no report. The vote will therefore be taken on the Commission's proposal.

I call Mrs Kellett-Bowman.

Mrs Kellett-Bowman. — In view of the lack of clarity in what you have said and in the agenda, may we have permission to raise this matter again when there is a little more clarity? You say that we are going to vote on a text, but in fact you then tell us that there is not a text. We do not want to be told later in the week, when we discover what this may be, that this was decided on Monday, because we really are extremely unclear about it.

President. — All right.

I have received from the Committee on the Environment, Public Health and Consumer Protection a request to amend the agenda on the basis of Rule 55 of the Rules of Procedure, and to include on the agenda for today's sitting a report by Mr Johnson on pollution of the Rhine (Doc. 1-686/81). The Committee on Economic and Monetary Affairs, not having yet been able to deliver its opinion, is opposed to such inclusion. Moreover, because of delays in translation, this report could only be distributed this morning.

I call Mrs Maij-Weggen.

Mrs Maij-Weggen. — (NL) Madam President, I wish to support the request of the Committee on the Environment. The fact of the matter is that Mr Johnson's report on salt pollution of the Rhine is now ready. Today and tomorrow the Ministers of the riparian States of the Rhine are meeting in Paris and this report has a direct bearing on their meeting. There is no point in postponing our discussion yet again for another month. If we do so nobody will pay any atten-

tion to it. The report is topical at present and should be discussed now. It is true that the Committee on Economic and Monetary Affairs has not yet delivered its opinion but since the report is ready it can do so by tabling amendments. I do not think it makes any difference whether the opinion is presented through the Committee or in plenary sitting.

Madam President, if we are to discuss this report at all we must do so this week. If we postpone the matter until next month there is not a single person and not a single newspaper in Europe who will pay any attention to our debate. The matter is topical now and it will cease to be topical next month.

(Parliament decided to include this report at the end of the agenda for 16 November 1981.)

President. — I call Mr de la Malène.

Mr de la Malène. — (FR) Madam President, at what stage may we table amendments to this report which we have not seen?

President. — Up to the end of this debate. We took the same decision in the case of the Cohen report.

Returning to Mrs Kellett-Bowman's question on the document concerning migrant workers, the Commission has forwarded to us a text with the request that the matter be considered without debate. I cannot tell you any more than that.

I call Mrs Kellett-Bowman.

Mrs Kellett-Bowman. — Madam President, thank you for your courtesy but we still do not know what we are voting on because we are only given the original document dating back to 1971 and a blank for the one that is up-to-date. Now that is the difficulty we are in. We are told that it is a regulation amending the 1971 regulation, but it does not tell us what the document on which we shall actually be voting is about and on which we may wish to table amendments, in which case it cannot go through without debate.

President. — Mrs Kellett-Bowman, you will certainly have, in your group, colleagues who sit on the Committee on Social Affairs and Employment who will be able to give you some guidance. We should have had a report but we only received the Commission's proposal.

Mrs Kellett-Bowman. — That does not get over the necessity for putting down what the actual document is, and it is not on the agenda. We are on the committee and we are very worried about it.

President. — Mrs Kellett-Bowman, we do not always have the documents when we draw up the agenda. Hence the lack of a reference number.

This number, together with the document itself will certainly reach you before the twenty-four hours' time limit begins to run.

I have received from the Group of the Technical Coordination and Defence of Independent Groups and Members and from Mr Piquet and 19 other signatories a request to withdraw from the agenda the report by Mr Diligent on the protection of shipping routes for supplies of energy and strategic materials (Doc. 1-697/80).

I call Mr Piquet.

Mr Piquet. — (FR) Madam President, in conjunction with several of my colleagues in the Communist and Allies Group I should like Mr Diligent's report to be withdrawn from the agenda of this part-session. On the pretext of considering raw-materials supplies to Europe this report has developed the idea of the necessary presence of a European naval fleet patrolling in the Indian Ocean and off the shores of the Middle Eastern countries.

My request is based on two observations. Firstly, all matters pertaining to defence are explicitly excluded from the terms of reference of the European institutions. The Treaty of Rome is perfectly clear on that point. As we also know, several Foreign Ministers of our Member States have already signified their disapproval.

My second observation is this: looking beyond the legal basis, it is my view that if we were to follow Mr Diligent's ideas we should be going against a progressive trend in the world today.

We are seeking here to establish new relations between our countries and the developing countries. The French Government is quite rightly concerned with this. As we all know, Nairobi, Cancun, the opening of global negotiations in the UN and the battle for development and to overcome world hunger are vital aspects of the new world economic order to which the young nations aspire. Is this then the right time for our Assembly to discuss the stationing of a fleet of naval vessels to cruise off the shores of countries with which we claim that we propose to negotiate? What image would this give of the European Assembly only three months before the next meeting of the EEC-ACP Joint Committee. What influence could we exercise in our own countries when we see, albeit in a variety of different ways, demands being made in most of our capitals for simultaneous disarmament and peace between nations.

Madam President, we therefore ask for our Assembly to vote on the withdrawal of Mr Diligent's report.

President. — I call Mrs Hammerich, who has also made a request for withdrawal.

Mrs Hammerich. — (DA) Madam President, we also proposed that the Diligent report should be withdrawn and the reason we did so is that it lies a thousand nautical miles outside the terms of reference of the EEC and of this House. It talks about building up a navy and the proposal is unacceptable.

Secondly, from a political viewpoint the report is not particularly profound. The three scenarios depicted may be highly entertaining and imaginative regarded as science fiction, but as the basis for political decisions they are ridiculous. The figures relating to the balance of power are vague, inaccurate and biased.

Thirdly, one might suppose that this report had been written in one of the blackest periods of the colonial era. For what is it really about? It is about seizing raw materials by force if we can no longer get them at the prices we want. It talks of the confines of western Europe and the need to protect them and it is the sovereign States of the Middle East that it is referring to. It talks of interception missions. That is absurd!

Fourthly, the report speaks the language of the cold war. It recommends that the Member States strengthen their naval forces. That means rearming — at a time when all the people of Europe, not only the EEC, but the whole of Europe want disarmament, peace, détente. But above all it is unacceptable because it exceeds all the legal limits of what the EEC can and may do. Military policy and defence policy do not concern the EEC, they do not concern this Parliament.

I say to the House: Hands off!

President. — I call Mr Pannella.

Mr Pannella. — (FR) Madam President, our group has tabled the motion which has just gained the support of our colleague, because we all believe that whenever there is any doubt as to the competence of the Community and of the Parliament to debate a specific topic, it is most important for Parliament as a whole to consider the matter and deliver its opinion. In supporting this initiative I have been trying to give Parliament, through this technical instrument, an opportunity to indicate its views as some of our colleagues wish.

Secondly, Madam President, I believe that the debate on this topic should take place in a different context. As long as our Parliament lacks the courage to deal

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effectively with this problem I think it is neither correct nor acceptable for us to do so indirectly as is only too often the case. If Parliament wishes to consider certain matters, such as defence, let it do so officially once and for all if it can. I do not think that it is a good approach to seek gradually some marginal new areas of competence — that is a hypocritical method.

I therefore support the motion.

President. — Who wishes to speak against withdrawal?

I call Mr de la Malène.

Mr de la Malène. — (FR) Madam President, our group intends to abstain but if this is the only way in which I can speak let me say then that I am speaking against.

(Laughter)

Our group is altogether hostile to the idea of the Assembly exceeding its authority to deal with the subject of defence. But since the Foreign Ministers meeting in political cooperation have agreed to consider security problems — and since the frontier between security and defence is difficult to define — our group will abstain.

(Parliament rejected the request for withdrawal)

President. — I have received from the Council under Rule 57 of the Rules of Procedure, a request for the inclusion under urgent procedure of the proposal for a directive on battery hens (Doc. 1-452/81). This proposal is the subject of a report by Mr Tolman which, not yet having been adopted by the committee responsible, has been withdrawn from the agenda.

I shall consult Parliament on this request for urgent debate tomorrow morning.

I call Mr Collins.

Mr Collins, chairman of the Committee on the Environment, Public Health and Consumer Protection. — I am sorry for raising this just now, Madam President, but I had not yet arrived in the building when this subject was discussed. In relation to Thursday's agenda, I understand that the Bureau and the various other people who make up the agenda without consultation with anybody have proposed a joint debate on the environment embracing the Alber report, the Verroken report, the Muntingh report, the Weber report and two oral questions. Now, Madam President, I must say that I want to protest against this. I am not against joint debates, but I am against putting

the Weber report in along with the others, because it has to be drawn to the attention of the House that the Weber report is as much an economic report as it is an environmental report. And it is entirely unfair, both to the author of the report and to the various people who have made representation to the committee and to the Parliament on this question, for it to be lumped together with the others in a general debate on the environment. I would therefore like to request, Madam President, that the Weber report be taken first and that it be followed by a joint debate on all of the other topics. I should be very grateful if you and the House would agree to this proposition.

President. — Mr Collins, it is at the request of the Commission that these various reports are being taken in a joint debate. However, as we are concerned here with the organization of debates and not with amendments to the agenda, I can consult the Assembly on your proposal to separate the Weber report from this debate.

I call Mrs Weber.

Mrs Weber. — (DE) Madam President, I should like to draw the attention of the House to this matter once again. I think we should become accustomed to the fact that not every concept involving the word environment actually concerns the environment. Environmental policy may have a bearing on a wide variety of policy areas debated in this House. Verification of environmental compatibility has nothing whatever to do with the situation of the environment in the Community. The report by Mr Alber is an own-initiative report of Parliament and verification of environmental compatibility is a topic to which the Commission has been addressing itself for many years and which involves massive economic and other consequences for Community policy.

I strongly urge separate consideration of these two topics which have nothing in common apart from the word environment.

(Parliament agreed to the Weber report being separated from the joint debate.)

President. — We shall therefore hold a joint debate on the other three reports, and we shall then take the Weber report.

I call Mr Collins.

Mr Collins, chairman of the Committee on the Environment, Public Health and Consumer Protection. — I hate to be a nuisance, as you very well know, Madam President, but I would like to insist that the Weber report be taken first. I should like to give the House

Collins

the reason for this. The reason quite simply is that the Weber report is in its technical sense and in its implications for the conduct of environmental policy in the Member States probably one of the most important environmental matters to come before the House, and, quite frankly, if it is taken at the end, then it will go the way of so many reports here: it will be voted on Friday morning, when the attendance is not all that it might be. I have a clear conscience on that point because I am always here on Fridays, but there are many other people who are not, and I would like to see it terminated before the voting-time on Thursday so that we can have a proper representation of the views of the House.

President. — The Rules of Procedure provide that all amendments to the agenda must be requested at least one hour before it is fixed. You should have made a request for the agenda to be amended, in precise terms, in good time.

Mr Collins, chairman of the Committee on the Environment, Public Health and Consumer Protection. — I am sorry, Madam President, but if that is your answer, I must protest even more strongly, because when this was discussed with me two weeks ago a member of the staff up in that area there advised me that the way to get the business changed was to write to the Bureau and to the enlarged Bureau. I did that, and every member of the enlarged Bureau received a letter from me last week asking that this be done. Now you are telling me that this was not presented at this morning's meeting. That I find quite surprising, and I really must protest about it.

(Applause from various quarters)

President. — Mr Collins, the chairman of the Socialist Group presented us this morning with the photocopy of a letter which had been received, neither by the other group chairman, nor by myself.

We cannot in plenary sitting put to the vote requests for amendments which have not been presented properly.¹

4. Speaking time

(The President read out the proposed allocation of Speaking Time)²

President. — I call Mr Pannella.

¹ For details of order of business — tabling amendments: see Minutes.

² See Annex of Minutes.

Mr Pannella. — *(FR)* Madam President, perhaps we shall arrive one day at a more parliamentary situation. For the time being we are far removed from that situation. The speaking time which you have announced, or rather the time of silence that you have imposed on us, will make real debate impossible once again in Parliament during this part-session.

Madam President, on Thursday and Friday one group will have only 8 minutes and another only 12 minutes to speak on 10 or 15 agenda items which it appears are rather important. This means that during a period of 48 hours groups of 10, 15 or 20 Members will only have 10 or 15 seconds to express their views. This is an attack on our rights, a gag on democracy, a situation opposed to true parliamentarianism. Using the Rules of Procedure you began by depriving members of their rights and today the groups which do not have the good fortune to hold a majority in this Parliament are being deprived of the same rights.

Madam President, I hope that one day you will cease to condone the violent and anti-parliamentary attitude of some of the big groups which dominate this Assembly.

President. — Mr Pannella, I take note of your observations. I should simply like to point out that in the proposals which have been put forward no arrangements have yet been made for the allocation of Speaking Time on Thursday and Friday.

I call Mr Glinne.

Mr Glinne. — *(FR)* Madam President, I have asked to speak because Mr Pannella seems to be directing particular criticism at my group.

If I still have any notions of the arithmetic which I learnt at school, I should like to point out that the Socialist Group with 124 members is only to have 41 minutes' speaking time whereas the 20 non-attached Members will have 21 minutes. I fail to see where the privilege lies in this matter and I think we should be cautious of making blanket accusations of the kind in which Mr Pannella has once again indulged.

Mr Pannella. — *(FR)* But I am not a non-attached member!

5. Action taken by the Commission on the opinions and resolutions of Parliament

President. — The next item is the communication from the Commission on action taken on the opinions and resolutions of the European Parliament.¹

¹ See Annex.

Mr Welsh. — Madam President, in July this Parliament passed a resolution under the urgency procedure on the subsidization of natural gas prices to Dutch horticulturalists. In this resolution it says:

Requests the Commission to report in detail to Parliament at its next part-session and, if appropriate, to refer the matter to the Court of Justice under Article 93 (2) of the Treaty.

At the next part-session the Commission said that it was not in a position to report to Parliament because it did not have any news and the Commissioner concerned said 'When there is something to say I will say it'.

Now it so happens, Madam President, that the time limit for the Dutch reply to the Commission's letter expired on Saturday night. It is my information that the Commission held a meeting on Saturday at which this matter was discussed. So could we now ask the Commission to make a statement — the statement it should have made in September — now in November on its position as regards the infraction or apparent infraction of the Treaty, in the form of the Dutch subsidization of their horticultural growers?

(Applause from the European Democratic Group)

Mr Pisani, Member of the Commission. — (FR) We are once again faced with an old problem. On Friday the Commission received the latest reply from the Dutch Government which was asked to explain itself. It will be discussing this matter on Wednesday. If it considers the Dutch Government's answer unsatisfactory it will initiate the procedures stipulated in the Treaties and will see them through to the end; in other words it will go to the Court of Justice if necessary. But from the legal angle this matter is too delicate to allow improvisation.

Mrs Ewing. — Could I refer to the last page of the long list of subjects, in particular to the Community charter for regional languages and cultures and a charter of rights for ethnic minorities? I have no complaint of course with how quickly the Commission have made a statement on this report, but I would draw the Commission's attention to the fact that this report asked the Commission to review all Community legislation which discriminates against minority languages. I do not see in the Commission's statement any reference to this question. It may be an omission, of course, but perhaps they would assure us that, as it is really one of the pillars of this report, they would include that or add it to their standpoint.

Mr Pisani, Member of the Commission. — (FR) The report by Mr Arfé is of very great interest, Madam. The Commission has given it close attention and intends to review, after preparing the inventory as

requested, the best way of using the financial appropriations and distributing them in accordance with the wishes of Parliament.

Mr Harris. — Madam President, could I return to the question asked about the unfair subsidies given by Holland to its glasshouse growers?

Is the Commissioner aware that this situation really cannot be put off for much longer? Growers in various parts of the Community are now facing dire difficulties as a result of this competition. Could the Commissioner say whether in the Commission's consideration of the matter, the Commission has actively looked at the possibility of imposing countervailing duties on imports from Holland? This would seem to be the sensible way out of the dilemma if Holland does not react to pressure already put on it by the Commission.

(Applause from various quarters of the European Democratic Group and of the Group of European Progressive Democrats.)

Mr Pisani, Member of the Commission. — (FR) The Commission has indicated its position and the present state of the procedure. Perhaps the discussion could be continued in committee if you wish to have fuller information.

Mr de Ferranti. — Madam President, I wonder if the Commission would comment on the view that it is possible that this document becomes a little bit more automatic every month? In one particular instance I do not think the Commission have done themselves justice for action that they have in fact taken. I am referring under item 6 to the resolution by Mr von Wogau on the completion of the internal market. If I understand it correctly, the Commission has in fact taken a much more substantial initiative than simply taking note of Parliament's opinion. As I understand it the Foreign Ministers today will be considering what has become called the 'volet marché intérieur', and indeed it will be considered by the Prime Ministers later in the month.

Would the Commissioner not agree that you have done yourself less than justice in this rather perfunctory reference to this extremely important subject?

Mr Pisani, Member of the Commission. — (FR) The question raised is part of a constant problem facing the Commission, namely the progressive achievement of the internal market. Unlike Penelope, the Commission is sewing again by day what others are unravelling at night.

What we can say is that the problems are becoming increasingly difficult as Member States feel themselves confronted with severe economic tensions. The

Pisani

Commission has discussed this matter again only recently and intends to pursue its action. Perhaps it will take even stronger measures because of the risks facing our internal market today which are greater than they used to be.

Mr Gondikas. — Madam President, I want to ask the Commissioner whether or not he can comment on the report of Mr Zecchino concerning insurance.

Mr Pisani, Member of the Commission. — (FR) Are you referring to third party liability for motor vehicles? It would be useful if each Member could indicate at the beginning of his intervention the item to which he is referring, failing which we may lose our way in the labyrinth of complex issues for which we are not properly prepared. Under the present system a single Commissioner has to answer 100 questions which do not fall within his terms of reference.

(Protests from some Members of the Group of European Progressive Democrats.)

Commissioners are like Members of Parliament: they are responsible for everything but sometimes they would like their responsibilities to be a little more limited.

(Laughter)

The Commission will shortly be presenting an amended proposal to the Council and I can assure you that it will in large measure embody the amendments proposed by Parliament.

Mr Pannella. — (FR) Madam President, I should like Mr Pisani to tell us what action has been taken on the resolution forwarded to the Commission by Parliament on 9 October, requesting the Commission to prepare, within thirty days a proposal for the financing of a special action, outside the normal budgetary framework, to combat world hunger. The thirty days have elapsed and we have not had the pleasure, or the honour, of hearing a single word on this subject.

Mr Pisani, Member of the Commission. — (FR) Madam President, I had raised my hand to ask to speak precisely because I was afraid that this resolution might pass unnoticed. At the risk of being slightly mistaken, let us call it the motion of the 250. It seeks to prepare a special programme to combat world hunger with the mobilization on one single occasion of 5 thousand million dollars for immediate action.

The motion for a resolution was drawn up and signed at the very time when the Commission was preparing and seeking adoption by the Council of a programme to control world hunger. The objectives of these two actions are comparable but the time scales are

different. The Commission's time scale reflects the lessons it has learnt from the budgetary debate and our actual ability to spend available appropriations.

The Commission therefore feels that to some extent, and indeed to a substantial extent, it has answered the motion in advance and it would hope that the resolution itself and the text proposed by the Commission, adopted by the Council and forwarded to Parliament, will be the subject of a fundamental debate in December or January.

In our view it would be most inappropriate for a subject of this magnitude to be dealt with on a Monday afternoon under the heading of action taken. Madam President, if Parliament so decides, I shall make an appointment with all those who are interested in this matter for a real debate on world hunger: the Commission for its part is ready.

Mr Pannella. — (FR) Madam President, you can make appointments with anyone for a wide variety of purposes. Mr Pisani, the text of our resolution is not a text drawn up by schoolboys for interpretation by persons who look upon themselves as diligent heads of family or elegant schoolteachers capable of analysing the substance of a problem. 248 Members of the European Parliament expressed the wish that within thirty days the Commission would mobilize itself to engage in a procedure outside the normal budgetary framework to save the lives of many millions of people from 1 January 1982 onwards. Time is a vital factor in this resolution and when Mr Pisani tells us that there is something comparable here with an action concerning less than one-hundredth of the funds requested by us in the European Parliament, I readily understand his wish to postpone his appointment with us.

Mr Pisani, Member of the Commission. — (FR) Madam President, I do not like to receive lessons of that kind. I might put a question or two about the conditions under which the 250 signatures were collected. I might enquire into the logic according to which a Parliament could vote 5 thousand million for the same year in which it is exercising restraint in voting a number of other appropriations which are also necessary.

We have answered the concern of the Member and those who have followed his example in an extremely precise text. If the honourable Member cares to make a calculation, not only of the 40 million ECU under discussion at present but also of the progressive levy to attain 0.15% of our entire gross domestic product as proposed and as adopted, he will see that after a few years we shall reach a figure of 4.5 or 5 thousand million dollars per year; but we shall do so progressively at a rate which will enable us to spend this money in a suitable manner. We prefer to follow the natural rhythm of budgetary expenditure based on

Pisani

feasible spending levels, on the possibilities of making rational use of available appropriations rather than launching out on an adventure. Let me repeat myself: I am opposed to making 5 thousand million dollars available immediately because I am not able to use them rationally in a manner which will be helpful to the persons concerned.

(Applause from certain quarters)

6. *Supplementary and amending budget
No 2 for 1981*

President. — The next item is the report by Mr Adonnino, drawn up on behalf of the Committee on Budgets, on the

- draft supplementary and amending budget No 2 of the European Communities for the financial year 1981, established by the Council on 19 October 1981 (Doc. 1-650/81) (Doc. 1-733/81).

I call the rapporteur.

Mr Adonnino, rapporteur. — *(IT)* Mr President, ladies and gentlemen, we are taking the first reading of draft supplementary and amending budget No 2 for the financial year 1981. As you will recall, we recently approved amending budget No 1. There is a close analogy between the two budgets, residing in the fact that in both cases the Commission has sought to achieve substantial savings on agricultural policy, in particular in the EAGGF guarantee section. Let me remind you of a few figures: 516 million units of account for supplementary budget No 1 which has already been adopted and 729 million for this second budget, making a total of 1 245. These savings represent 13% of the expenditure initially earmarked for this sector or 9.34% if we allow for the cuts made in the revenue sector as a result of the same phenomena.

I think it appropriate to draw your attention to the fact that these savings are of an altogether special nature. They are due above all to the favourable situation on the international markets which has influenced prices; as the Commission and Council pointed out explicitly when they presented their documents, these savings became apparent at the beginning of the financial year and persisted throughout the year. However they are exceptional in nature and in my view we should remember that they are not likely to be repeated.

Of course savings which are as substantial as this are bound to have certain repercussions which are difficult to define exactly; they must be assessed, quantified, forecast and incorporated into the Community budget and they raise the problem — which Parliament as the

budgetary authority must consider — of the political responsibility of the Commission for deciding the time at which the savings should be shown in the balance sheet and at which their budgetary repercussions must be taken into account. In this particular case, I would remind you that substantial savings of an identical nature have emerged at a brief interval of rather less than two months. I believe that this problem undoubtedly has strong political implications and the Parliament should reflect on it to find an answer. I have also wondered whether it was absolutely necessary to present this budget. I think it has become apparent that the budget need not have been presented. In that case the appropriations would have been dealt with at the end of the year in accordance with the normal provisions of the Financial Regulation and the problem would have been held over to 1982 when the budgetary authority might have been able to apply different criteria so that the decisions taken might have been different.

So much for the history and chronology of the matter. The preliminary draft submitted by the Commission with a view to highlighting the differences between revenue — both of a positive and negative nature — and on the expenditure side, is characterized above all by the savings to which I referred; by proposing only extremely limited utilization during this financial year, it is apparent in substance that this supplementary budget No 2 reduces the VAT rate established at the beginning of the financial year so that the own resources of the Community for this year will be likewise reduced. I felt that this observation needed to be stressed because of its political implications on which Parliament must reflect and decide.

I would remind you that the final decision will be taken on second reading and, on behalf of the Committee on Budgets, I shall be asking you to approve certain amendments which I shall now explain briefly in numerical terms.

While on the one hand savings on the EAGGF guarantee section amount to 724 million ECU to which should be added some 600 million for a reduction in agricultural levies and a saving of 60.75 million ECU on refunds of expenditure to the Member States, on the revenue side we have an increase in customs duties of 92 million ECU and 559 million ECU as a balance on 1980 carried over to 1981, primarily as a result of the definitive fixing of the basis of assessment for 1980 which has been much greater than originally expected. To this must be added, still on the revenue side, 164 million ECU by way of arrears in the payment of VAT contributions by three Member States, Belgium, Germany and France.

As you will see, these are considerable amounts. The Commission, in its preliminary draft, had proposed the use of part of the funds, namely 62 million, as a budgetary appropriation in favour of intervention in the steel industry — through a transfer to the ECSC

Adonnino

budget — and 40 million units of account by way of aid to the least advanced countries. Measured against the overall savings that have been made, these uses amount to 28% while the reductions to which I referred earlier account for the remaining 72%.

In presenting its draft budget to Parliament, the Council did not accept the Commission's proposal on the 62 million considering that in the case of the steel industry action should have been decided, as in the past, through special contributions. On the other hand the Council did accept the Commission's proposal relating to the 40 million ECU by way of food aid for the least advanced countries, with the reservation that these appropriations are to be used only after adoption by the Council of specific regulations.

The Committee on Budgets has considered these two proposals and decided, in agreement with the Committee on Social Affairs, to propose that the Assembly reinstate the appropriation of 62 million for the steel industry classified as non-compulsory expenditure; by its very nature such expenditure does not require a specific legal basis and can therefore be effected directly and immediately.

The parliamentary committee welcomed the proposal by the Council and Commission, after consultation with the Committee on Development and Cooperation, for the appropriation of 40 million ECU to be made available to the least advanced countries; here again it specified that this is non-compulsory expenditure which does not require a specific legal basis, especially as the Council has entered these appropriations against Article 923 which already provides for similar actions for the benefit of the developing countries. In this instance, the appropriations are intended for the least developed countries which means that the ultimate destination of the funds has been changed but not the technical procedures; we are therefore convinced that there is no need for a specific legal basis.

These two amendments were approved by the Committee on Budgets among all those that were examined and I now place them before the Assembly. They are very important because of their political content and if they are approved by the necessary majority, it will be possible to move on to the second reading and thus obtain the results which we are hoping for.

In conclusion, let me explain to the House that because of the extremely short time available to us, the resolution has been kept particularly brief and may be changed in committee to incorporate amendments which I too have tabled in my personal capacity.

I trust that the Assembly will take account of my observations when it comes to vote on this matter next Thursday.

(Applause)

IN THE CHAIR: MR VANDEWIELE

Vice-President

President. — I call the Committee on Social Affairs and Employment.

Mr Van Minnen, draftsman of the opinion. — *(NL)* Mr President, on behalf of the Committee on Social Affairs and Employment I should like to explain briefly the two aspects raised in the amendment tabled by us concerning social measures in conjunction with restructuring of the iron and steel industry.

Mr President, matters are progressing very slowly in this area as you know and that is a most unfortunate situation; however, it seems appropriate to stress through this amendment that we are not merely seeking to reinstate the 62 million ECU in the budget; we also wish to make it perfectly clear how irresponsibly the Council of Ministers has been dealing with the steel sector and with industrial employment in general when it comes to consider social measures accompanying the economic process.

Mr President, it has been irresponsible even at budgetary level. After repeated initiatives in Parliament and after several well-founded proposals from the Commission and after the Steel Council recognized at long last on 24 June this year the need to approve and finance without delay new temporary social measures in order to limit the consequences of the crises in the iron and steel industry for employment, and even after the Council agreed to the Commission's estimates to the effect that at least 112 million units of account would be required for these measures starting in 1981, and after the people of Europe had been informed of that unanimous view, after all this the Council did not enter the appropriations as you might have expected — no, it simply made a token entry without the slightest accompanying justification.

P.M. pro memoriam, a token entry; perhaps S.M. would be more appropriate to stand for a short memory. The Committee on Social Affairs sees this as a form of budgetary camouflage and not as a reasonable way of approaching the budget. 50 million have now been financed through direct contributions from the Member States but 62 million are apparently to be put on one side in the budget. It seems incredible that we should constantly have to be asking for the same thing. It is not a pleasant pastime for the Social Affairs Committee or for Parliament but it is our bounden duty to repeat our demands.

The time has once again come from the Council to take far-reaching decisions on the structure of the European steel industry. At this juncture even a relatively healthy undertaking such as the Dutch-German Estel concern is being threatened with dismantling.

Van Minnen

Employment in the iron and steel sector is suffering increasingly heavy inroads. A hundred thousand jobs have been lost in the past 18 months, as many as in the previous five years. That is the terrifying rate at which jobs are disappearing.

Mr President, at a time like this we cannot condone the Council's failure to take account of the requests made by the Commission and Parliament in the social sector as soon as it comes to their implementation. The Committee on Social Affairs, with almost complete unanimity and with the fortunate support of the Committee on Budgets, therefore strongly recommends you to vote in favour of this amendment to the budget.

President. — I call the Commission.

Mr Tugendhat, Vice-President of the Commission. — Mr President, I have listened with great interest to both Mr Adonnino and Mr Van' Minnen and I am glad that Mr Van Minnen had the opportunity to speak early in the debate, since clearly the social effects of the rundown of the steel industry are an absolutely key element in the present situation and it is important that they should be broached as early in the discussion as possible.

Mr President, each Community budget and consequently each budget procedure contains a variety of components which are a mix of what may be described as essentially political or essentially technical elements. The preliminary draft budget from which the draft now before the House flows is in many respects one in which the technical components predominate.

A significant part of the budget deals with resources rather than with expenditure, for reasons which I will endeavour to explain. Each autumn the Commission is legally obliged to submit a budget proposal which enables the VAT balances from the previous year, in this case 1980, to be entered into the current year's budget. Because a budget act is necessary to enable this to be done, the Commission took the opportunity to correct various other receipts currently contained in the 1981 budget where the forecasts on which this budget is based differ from reality. The most significant correction the Commission proposed is a reduction in revenue from agricultural levies. This reduction is mainly the result of unexpectedly high prices for agricultural goods on world markets, especially for cereals and sugar. The Commission also re-examined the development of own resources flowing from customs duties and concluded that their contribution to own resources would be somewhat greater than initially envisaged. A further component that the Commission took into account was the revised balance from 1980. This too was therefore included in our preliminary draft budget.

All these changes in revenue proposed by the Commission are based and can only be based on objective criteria. Thus the scope for political assessment, as far as the amounts are concerned, is non-existent. The Commission is pleased to note that the Council has accepted in full its proposal, as far as resources are concerned, and that agreement on these amounts has also been reached in the Parliament's Committee on Budgets. I therefore hope that, as far as revenues are concerned, Parliament will in principle be able to accept the Council's draft. I say in principle because the revenue figures to be retained do depend on agreements still to be reached concerning items of expenditure.

It is to expenditure, Mr President, that I now turn. The Commission in its preliminary draft budget identified three main components where expenditure should be modified. The largest component concerned a reduction in EAGGF (Guarantee Section) expenditure.

The House will recall that in the work preparatory to the adoption on the first amending budget for 1981 further reductions in this expenditure were considered likely. Events now turn that likelihood into certainty, because the lower trend in agricultural expenditure apparent earlier in the year has continued in a number of sectors. Reductions in costs in these sectors have been only partially offset by shortfalls in appropriations elsewhere within the EAGGF (Guarantee Section). Consequently, a net reduction in appropriations is called for. Thus the Commission proposed a reduction in EAGGF (Guarantee Section) appropriations amounting to 724 m ECU as compared with the first amending budget for 1981. I am pleased to note that the Council and Parliament's Committee on Budgets both support the Commission's proposal for this reduction in EAGGF (Guarantee Section) expenditure. I therefore hope that Parliament will be able to accept the Council's draft.

The two other components concerning expenditure proposed by the Commission involve increases in appropriations. One of these increases concerns support for social measures connected with restructuring in the steel industry. The Commission, in its preliminary draft, proposed that 62 m ECU be placed in Chapter 54 to finance these measures. The Commission took this initiative in the light of developments in the Council in June this year, where agreement was reached on the introduction through the European Coal and Steel Community of these social aid measures for the period from 1981 to 1984. In its decision, the Council agreed to finance a first slice of aid, amounting to 50 m ECU in 1981, on the basis of *ad hoc* contributions from the Member States based on a special financing key. The Council recognized that this sum would be insufficient to cover the costs in 1981 and asked the Commission to propose a method of finance for the remaining expenditure. This we have done in the manner that I have just indicated.

Tugendhat

The Commission regrets that the Council has not maintained this part of its proposal in the draft now before the House. Indeed, it is strange that the Council should have behaved as it has, because, as I have already said, the Council has agreed on the need for finance to be made available. The Commission recognizes that in Council there are divergent views on the most appropriate method of finance. One could, perhaps, have some sympathy with those who in Council advocate the *ad hoc* system; but the House should know that so far the Council, after all these months, has not been able to finalize its position over the 50 m ECU because of practical problems. Given that the Council has accepted the need for the aid measures and that the Commission has proposed a viable financing system, the Commission supports the Parliament's Committee on Budgets initiative in reinstating the 62 m ECU the Council has cut out. On behalf of the Commission, I urge the Council to adopt a more positive approach on this important objective. I trust that my words will indeed reach the Council, because at the moment the Council benches are not conspicuously overflowing.

The second important component involving additional expenditure concerns the exceptional food-aid measures amounting to 40 m ECU proposed by the Commission in favour of the least developed countries. The Commission is most anxious that these appropriations, the justification of which is uncontested, should be entered in the budget and that in as short a period as possible after the budget is adopted we are able to implement the appropriations.

Mr President, we have only just received the motion for a resolution. It certainly seems to me to be commendably brief, but also the relevant sentence, 'Decides to amend at first reading supplementary and amending budget No 2 for 1981' is also very clear.

I have made my position clear, Mr President, I hope. There are a number of speakers. If the time of the House permits and if it is the desire of the House, I will make a brief intervention at the end, but I think that depends on the time that people take and whether we have time before Question Time. Otherwise, Mr President, I am at the disposal of the House.

President. — I call the Socialist Group.

Mr Arndt. — (DE) Mr President, it's a pity that the Chamber is rather empty at present, as often happens during important debates, since the subject we are discussing could be a good lesson to the House and to all the bodies of the European Parliament.

We are concerned here with the 1981 budget and, in considering this supplementary budget, we must look back to the conflict over the 1981 budget last year and draw the appropriate lessons. In the first place there is

a lesson for the Council and the Member Governments which are very weakly represented here. In this respect the ability of the Council to learn coincides with its present representation in this House since the Council has repeatedly been told by Parliament that development in certain sectors will follow a specific trend and it has constantly maintained that Parliament was wrong — or rather that it, the Council, was right. Supplementary budgets No 1 and 2 to the 1981 budget prove that the figures quoted by Parliament at the time have proved to all intents and purposes, and for whatever reason, to be correct instead of the figures quoted by the Council and governments. When will the Council come to accept the fact that proposals made by this Parliament must be given consideration in order to pursue at long last a genuine budgetary policy on the basis of those proposals? I remember that, during our last dispute, the Council repeatedly drew attention to the need for savings but when Parliament pointed out that savings could be made in sectors of agricultural policy, the Council would not accept its points. In my view the reason for this is that the Council is still opposed to the restructuring of the budget repeatedly proposed by Parliament and by the Commission. I hope that the Council will understand at long last in connection with the debate on the mandate of 30 May, that the attitude which it adopted to the 1981 budget is in fact holding up developments in Europe. The Council and also the Commission have a lesson to learn from this supplementary budget.

We have been told that adjustments have been made to the real developments. I am convinced that when we receive the budgetary accounts for 1981 we shall once again find that the real developments have not been followed but that the Commission's policy is still aimed at carrying forward reserves beyond the end of the financial year. Let us look for a moment at the British contribution: this supplementary budget includes a correction to the VAT calculation for 1980 and 244 million ECU are being credited to the United Kingdom. We all know, however, that the calculations of the British contribution do not correspond to the figures shown at present in the budgets but that the true figures are much lower. Had the Commission worked on the basis of the true figures, it should at least have been able to write them into this supplementary budget. Above all we hope for the future that the Commission will indicate these figures to us sooner since the problem is that when we learn of the true figures at such a late stage, Parliament is to all intents and purposes no longer able to reach genuine decisions on expenditure in November or on the second reading in December. We therefore have a justified suspicion — which will I hope be removed — that the purpose of submitting the second supplementary budget at this late stage is to make it impossible for Parliament to adopt the supplementary budget in time for the appropriations to be spent effectively.

Not only the Council and Commission but also Parliament have a great deal to learn from this supplement-

Arndt

tary budget for 1981. Since we need certain specified majorities in our votes on the budget, let us seek to avoid unnecessary disputes. I would recommend all the following speakers from the groups to consider what amendments they approved on the second reading of 1981 budget last year and which amendments they rejected. I am rather shocked to see that groups which did not support amendments on the decisive second reading in December last year, are now submitting some of the same amendments for the last reading of the 1981 supplementary budget. This does not seem to me a reasonable way of going about things. We should try to adopt a rational attitude to the budgets and recognize the fact that this House needs at least 218 votes for all decisive budget amendments. Essentially this means that we must embark upon our budgetary debates with the greatest possible clarity. Disputes only lead to irritation and in the last resort it becomes impossible to gather the 218 votes needed for the adoption of amendments.

I would therefore remind all the groups yet again that there is no point in tabling at this stage, and for propaganda purposes, amendments which do not coincide with the group vote last year.

I really hope that it will be possible to review this point since otherwise we in the Socialist Group will be obliged to remember the attitude adopted by other groups on previous occasions. That can serve no useful purpose.

What will be the position of the Socialist Group in this budget debate? We firmly believe that all the appropriations which can now in part be recouped could readily have been spent during 1981 in accordance with amendments adopted by Parliament on the first reading of the budget last year for urgent actions in the area of social, structural, energy and development aid policy.

We are also of the opinion that there is no longer any point at this stage in November in trying to force through a political demonstration. On the other hand Parliament could adopt amendments entering in this supplementary budget amounts which the Commission could spend by 31 December following the definitive adoption of the supplementary budget.

In the vital discussions in the Committee on Budgets on Wednesday, the Socialist Group will be asking the Commission in each specific instance whether it can effectively spend money adopted through amendments in the period intervening between 17 or 18 December when the supplementary budget will take legal effect after the second reading, and the end of the year. Should that be impossible the Socialist Group will be unable to endorse such amendments; it will be unable to do so because in pursuing its budgetary policy, Parliament must strictly respect the provisions of the Treaties and of the Financial Regulation. If we start to infringe those provisions we shall find ourselves in a

disastrous situation. We can see where that leads: let us just remember the example of the German Government's legal action against the 1981 budget and 1980 supplementary budget in which the ground was to all intents and purposes stolen from under its own feet.

The Socialist Group already knows that it will be voting for the following amendments: for the amendment on food aid tabled by the Committee on Development and Cooperation and for the amendment in respect of the 62 million ECU tabled by the Committee on Social Affairs. We shall also give detailed examination to other amendments, including that on Poland, in order to ascertain whether the money can in fact be spent this year. If so we shall vote in favour in accordance with our basic political position; if not we shall vote against.

Mr President, I would recommend this House to make every endeavour to obtain a budgetary majority on budget matters. Parliament can only exercise its right in this area if it is united and does not indulge in petty disputes.

President. — I call the Group of the European People's Party (Christian-Democratic Group).

Mr Langes. — (*DE*) Mr President, ladies and gentlemen, I would urge you to convey to the Council the disapproval felt by the European Parliament. In this I would go even further than Mr Arndt. I consider it altogether unacceptable that not even a substitute for the United Kingdom Council representative should be present here today.

(Applause from various quarters)

That amounts to contempt of our Parliament. It is quite unacceptable for the Council, as the second branch of the budgetary authority, to treat Parliament so badly yet again. I would ask you, Mr President, to convey this point in the clearest possible terms to the British Council representative. During our further discussions on the 1982 budget, we also expect the Council to be politically represented in the Committee on Budgets. Parliament is very sorry indeed to have to deal with well-intentioned and highly qualified officials who have no authority to take decisions. One of the worst aspects of Europe today in my opinion is the fact that the Council has not yet understood its role as a branch of the budgetary authority.

I come now to the supplementary budget. In many respects I agree with Mr Arndt and, time being short, I just want to say this: the European People's Party shares the view that this supplementary budget must go on to the second reading, i.e. on Thursday of this week we need a large majority of at least 218 votes on Thursday. We also support the amendment seeking to make 62 million ECU available for social action in the

Langes

ECSC sector. I would urge all my colleagues to support that amendment at least because it has been moved by Parliament for three years now. This time it has even stronger backing because the Commission itself is advocating 62.5 million ECU instead of a mere token entry. This is the key amendment.

My group has tabled a further amendment seeking to make available 10 million ECU for transport costs and food aid for Poland. I agree with Mr Arndt that we must naturally examine whether this money can actually be spent in 1981. I think it can, because these 10 million ECU are not intended as a 15% reduction in prices but as a gift which could then be used to defray transport costs and pay for foodstuffs. The 10 million ECU could then be spent in December. I am convinced that the Commission will be able to answer us on this point in committee on Wednesday.

We have tabled another similar amendment in respect of which we shall also be putting questions on Wednesday, namely the 2 million ECU for non-governmental organizations. Why this figure? Because we know that only 40% of the applications made by Caritas, the Mission to the Interior and other agencies have been met by the Commission and that sufficient appropriations are available in the context of the one-third project financing.

We have an open mind on the other amendments provided that we remain within the available margin of manoeuvre. We must ask ourselves on each occasion how the money can be spent. We shall also be considering to what extent the available appropriations can be carried over to next year in the EAGGF guarantee section. We are in fact convinced that some, about one-third, of the appropriations entered as revenue in fact constitute resources of the European Community and have nothing to do with net payments by individual countries. This nonsensical view which is being put about everywhere in certain quarters, especially in the Federal Republic, must be emphatically refuted here today.

President. — I call the European Democratic Group.

Mr Price. — Mr President, I welcome the savings of 724 million ECU on the agricultural guarantee payments. A large part of this is obviously due to higher world prices for our surpluses, but it is also particularly noticeable that about two-thirds of the saving is in the dairy sector, which has caused us so many problems in the past. The present trend seems to me to give us an opportunity to achieve the changes in agricultural policy which the Commission have proposed in an atmosphere where that policy is not under such budgetary strain, and I hope that that will set a favourable background for the discussions which will be taking place in the next few weeks and months.

So far as the expenditure side is concerned, it is very fitting, it seems to me, that it should be proposed to use part of the money instead for extra food aid for least-developed countries when what we are talking about is money which we have been able to save on our own agricultural budget. Our group will support that amendment.

We shall also support the proposal of 62 million ECU for steel social measures, and I would share the view expressed by other speakers that this is something which really must be carried out urgently. The Council have recognized, and Parliament has quite clearly underlined on several occasions, that this is a priority item, and I believe it brings the Community into disrepute when one has a priority of this kind clearly identified and agreed and the Council then spend time arguing the toss about a legal basis. I hope that that argument can be resolved promptly, so that this money can go where it is needed.

That same point perhaps needs to be made regarding the food aid, since I understand that there could still be problems in that direction when one notes the comment of the Council in the draft supplementary and amending budget, where they talk about appropriations being used once the Council, on a proposal from the Commission, has adopted the necessary steps to allow this programme to be implemented. Surely this decision by means of the supplementary budget is perfectly adequate authorization, and I trust that the Council will not seek to hold up what are obviously urgently needed resources.

Finally, Mr President, on the question of Poland, the speech of Mr Langes a moment ago indicated that Parliament will have an amendment before it for 10 million ECU towards transport costs and other aid for food to Poland. Parliament — and indeed the Community — has already in effect voted in its agricultural appropriations some 50 million for use in aid to Poland this year. My group is strongly in support of giving aid of this character, and if, when we hear the details of this amendment, we find that it is practicable to spend this money in the way that it is proposed, we will certainly support that amendment.

President. — I call the Communist and Allies Group.

Mr Spinelli. — (FR) Mr President, allow me to go straight to the heart of the matter without looking at the details of the budget.

Confronted with this draft supplementary budget, Parliament can choose between the following options: it can approve it as it stands or reject it, which would be tantamount to approving it. If expenditure is reduced under the present 1981 budget VAT revenue will automatically be reduced by the same amount. The only difference is that instead of the reduction

Spinelli

being made in December it will be postponed until April.

Thirdly, Parliament may propose modifications to compulsory expenditure on first reading, as it has done with reference to milk powder. To take effect, these modifications would require a qualified majority in Council but it is quite impossible for such a majority to be obtained since the governments have already reached agreement on this expenditure. The approval of modifications can therefore only have the same result as the two previous options. In brief whether we approve, reject or modify this draft budget the result will always be the same. It will take effect exactly as it stands. Now for the fourth option: the only real alternative to simple approval is to amend the draft in respect of sections other than compulsory expenditure, i.e. by introducing amendments both on the revenue side and to non-compulsory expenditure. In that case, if we do not exceed the level of expenditure and, by analogy, the level of revenue shown in the existing budget for the current year, Parliament has the last word.

In deciding which of the two options to follow — acceptance in one form or another or amendments to non-compulsory expenditure — Parliament should remember that for years it has been demanding an increase in expenditure on structural policies as opposed to expenditure to support agricultural prices. Had the Commission lived up to its political responsibilities, it should itself have used the savings on the EAGGF guarantee section to propose equivalent increases in expenditure on structural policies. It has taken pains not to do so and I would be the last to show surprise at this resigned attitude towards the possibility of achieving progress in the Community. But if this Parliament, at the very time when it has the possibility to act, does not wish to give the lie to all that it has said and repeated when it has expressed its political views in resolutions, it must vote in favour of the amendment by Mr Aigner, Mr Irmer, Mr Spinelli and others and decide — I use the word advisedly — that revenue is to remain at the level shown in the current budget and that the expenditures saved will be assigned to Chapter 100 for structural policies which constitute non-compulsory expenditure. The appropriations which we are not reasonably able to spend or commit in 1981 will be carried forward, in accordance with our regulations, to the 1982 budget which badly needs them.

We the Italian Communist and Allied Members will therefore vote in favour of the Aigner amendment and I would urge all of you — unfortunately there is practically no one in the House at present but I hope that some Members will read my words in the 'rainbow' tomorrow — to reflect on the credibility of Parliament: will it be a Parliament that demands respect for its own resolutions?

President. — I call the Liberal and Democratic Group.

Mrs Scrivener. — (FR) Mr President, ladies and gentlemen, history is repeating itself. The adoption of the second supplementary and amending budget for 1981 holds out in some respects the same temptations as the vote on the amending budget for 1980 last year.

Admittedly we are not in exactly the same situation since we do not have the same margin of manoeuvre on this occasion as last year.

However, the objective remains the same: to link this second amending budget for 1981 with the consideration of the 1982 budget which we shall be debating on second reading next month.

Let me be quite clear about it: the Liberal and Democratic Group will oppose amendments designed to achieve that aim. We shall thus be logical with ourselves because that is the attitude we followed last December. We reject the idea of opening yet another sterile conflict with the Council. Let us please learn the lesson from our past mistakes.

I welcome the fact that on this occasion the Committee on Budgets has taken a wise decision by rejecting the rapporteur's proposal to enter in Chapter 100 an amount of 724 million ECU corresponding to the reduction in EAGGF guarantee section expenditure. However, let us make no mistake. As we have said on previous occasions, we favour the idea of savings made in one sector or another being placed in a reserve for use the following year as a function of the needs. However, we all know that this procedure would require prior negotiations with the Commission and the Council in order to bring about amendments to the Financial Regulation and we are of the opinion that negotiations must be opened with that end in view.

Other alternative proposals will no doubt be put to the vote in the House. Their purpose will be to retain in the Community budget some of the supplementary revenue which appears in this amending budget.

But, ladies and gentlemen, do we really believe that we shall be able to force the hand of the Council in this way to obtain the entry of more substantial revenue in the 1982 budget? That is hardly a realistic attitude. The Council will always be able to cancel the revenue when the time comes. No, it is not through stratagems of that kind that we shall win the day. The development of new common policies does not depend on these budgetary stratagems; it depends on the existence of a genuine political resolve in the governments. However, the fact of the matter is that at present the Council does not wish to embark upon new policies, and everything hinges on that obvious point. The Liberal and Democratic Group will vote in favour of only two amendments: the first tabled by the Committee on Social Affairs and Employment seeks to reinstate the 62 million ECU for social action in the steel industry as proposed by the Commission. The

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second, tabled by the Committee on Development and Cooperation, seeks to amend the remarks against Article 923 covering food aid to the least advanced countries.

In conclusion, Mr President, I wish to consider briefly the subject of aid for Poland.

We are naturally in favour of granting advantageous conditions for the supply of foodstuffs. So much so that, two weeks ago, when the vote was taken on the 1982 draft budget on first reading, we supported the amendment tabled by the EPP group to enter an additional amount of 10 million ECU to cover the transport of aid to Poland. Unfortunately, and we are the first to regret this fact, this amendment was rejected by Parliament.

Is it appropriate to retable that amendment now under the 1981 budget?

We do not think so because this would open the door to the tabling of a whole series of amendments taking up once again proposals which were rejected during the vote earlier this month. I would also remind you that the Commission clearly indicated to us in the Committee on Budgets that it had at its disposal at present all the funds which it considered necessary both for 1981 and 1982.

You will therefore understand our reasons for abstaining when the vote is taken on this matter next Thursday.

President. — I call the Group of the European Progressive Democrats.

Mr Fanton. — (*FR*) Mr President, ladies and gentlemen, for the second consecutive occasion the Commission and Council are tabling a supplementary budget which reduces agricultural expenditure.

When Commissioner Tugendhat spoke just now I was struck, as I think was the whole Assembly, by the modesty of his proposals. I use the term modesty in the sense of humility. Usually when a budget of this kind is presented the responsible bodies claim that it is thanks to their sound management practices. Mr Tugendhat refrained from adopting that attitude even though he could have boasted of the Commission's efforts.

Why did he not do so? I put that question to him because he said just now that he might give answers to our questions at a later stage. But perhaps Commissioner Tugendhat is showing modesty for other reasons; perhaps as often happens, the Commission has been mistaken in its forecasts and was not optimistic enough about its capabilities or perspicacious enough about future events? We are now witnessing

another example of the same phenomenon, Commissioner. We have the case of the British contribution in respect of which substantial figures had been quoted, although it now seems that the United Kingdom has, to put it frankly, received much more than it was owed. This subject will be discussed on another occasion; but no doubt this is why, Commissioner, you showed a measure of humility to which we are not accustomed since the Commission generally indulges in self-satisfaction.

We well know that the conclusions which you have drawn — you mentioned I believe the figure of 727 million ECU — are the result of what has happened this year. We shall therefore say no more. We already spoke at length on this subject when the budget was discussed. We simply welcome the fact, Commissioner, that the requests for appropriations to cover the distillation of wine — which we tabled in connection with the first supplementary budget — were taken into account as the Commission had promised and we are grateful to you for that.

We also approve the proposal concerning food aid to the least advanced countries and we share your regrets at the negative decision by the Council on social measures for restructuring of the steel industry; we shall support the amendment tabled by the Committee on Budgets seeking to reinstate the relevant appropriations.

As to the amounts which have been saved, some are proposing that they should be refunded to the Member States while others maintain that they should be placed in reserve. Mr President, I consider this problem to be of great political importance and technical complexity but the solution is not of central importance to the future of the Community. That is why we should have preferred this budget to be dealt with in a single reading but, having regard to my comments just now on our position on the appropriations for the steel industry, we shall vote in favour of this amendment. We shall also support the amendment by the Committee on Development altering the remarks against aid to the least advanced countries.

In conclusion, Commissioner, we hope that when we come to discuss the problems of agriculture and appropriations earmarked for agriculture in future, you will not forget that the Community has experienced periods in which agricultural expenditure was not the burden about which we hear so many complaints today — quite the contrary.

President. — I call Mr de Keersmaecker.

Mr de Keersmaecker. — (*NL*) Mr President, in referring to this amending budget I feel it appropriate to repeat the observations which we made two weeks ago in connection with the discussion of the budget,

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namely that there are grounds for satisfaction in that agricultural expenditure is being restricted and also grounds for dissatisfaction because the appropriations released in this way are not being better used in sectors other than agriculture or to follow more rapidly a specific policy in agriculture or else to dispose more rapidly of certain structural surpluses.

We are not satisfied with the reasons cited for this. It is claimed that the legal basis is lacking or that no new policies should be developed through budgetary procedures, which is in fact correct, and that certain items should not be amended in such a way that utilization of the appropriations will not be guaranteed in the current budgetary year — and that argument too is theoretically correct. However we are not satisfied with these arguments as a whole, since the true reasons for the failure lie in the fact that the Member States are satisfied with having to pay out less money to the European Community; above all the political resolve to take more drastic action is lacking.

This shortsighted approach is not surprising since we shall soon be confronted once again with the unsolved problems, perhaps at a time when there will be less room for manoeuvre because of trends on the world market. Nevertheless we agree with the proposals by the Committee on Budgets for the food aid sector and for the contribution to the ECSC but we consider those proposals to be inadequate. That is the reason for our amendment seeking to enter an additional 50 million ECU against item 9211 to dispose more rapidly of milk powder stocks. We have also tabled an amendment designed to enable the proceeds of the co-responsibility levy which will not be used in the current year for the intended purposes, namely marketing and consumption of dairy products, to be carried forward in their entirety to 1982 with a guarantee that they will be retained for the specified purpose. I would draw the attention of the Commission and Members of Parliament in particular to these amendments. We hope that they will be adopted.

President. — I call Mr Irmer.

Mr Irmer. — *(DE)* Mr President, ladies and gentlemen, I am speaking today in my individual capacity and not on behalf of my group. I would ask you all to vote in favour of the amendment tabled by Mr Aigner, Mr Spinelli and myself together with a number of colleagues from various political groups and of different nationalities. The purpose of our amendment is to ensure that the surplus on the EEC budget for the current year is not refunded to the Member States but carried forward to the following year or placed in reserve for use as additional appropriations in two years time.

If the supplementary budget were to be adopted without our amendment in the form now advocated by

the Committee on Budgets, that would mean that Parliament would be departing from the fundamental principle of own resources and returning to the principle of the payment of contributions by the Member States to which we thought we had put an end in 1977.

The Committee on Budgets maintains that own resources exist only to a level equivalent to actual expenditure. The remainder should be refunded to the Member States through a change in the VAT rate. That view is wrong. The VAT rate depends on the estimated expenditure and if a surplus remains because of savings and sound budgetary management, the appropriations concerned should remain with the Community and be carried forward to the next financial year. If that were not the case why should the Community have its own revenue at all? In that case we should have to go to the Member States and ask what expenditure they were prepared to authorize. They would then perhaps be kind enough to make the funds needed by us available through special contributions.

The purpose of the amendments to the Financial Regulation in 1977 was to give the Community a greater weight of its own and to place it on an independent financial footing. All interpretations of the statutory provisions must be based on that fundamental principle. The Committee on Budgets' interpretation, which is of course possible in technical and legal terms, is politically false and hostile to the interests of the Community. The purpose of the provisions adopted on that occasion was to make progress towards European Union. Let us be honest with ourselves: because of the present difficulties in the Member States, the established principle is now to go by the board because, regrettably enough, the German Finance Minister has problems in balancing his national budget and is therefore looking with some greed at our own surpluses. And that is the reason why we are supposed to throw out the principle of own resources. Ladies and gentlemen, I cannot support that attitude.

Nor is there any benefit to the taxpayer. Perhaps the national budget will be balanced and he will say: 'Fantastic, what a conjurer our Finance Minister is'. But if we no longer have a surplus next year, the VAT rate will have to be increased and then the national treasuries will lose an additional proportion of their VAT revenue.

Next Thursday our Foreign Minister Mr Genscher is to come here to explain his plan for European Union. It is an excellent plan and I hope that you will all be enthusiastic about it. But when we come to consider how to expand and develop this European Union we should first seek to consolidate our existing achievements. Our financial constitution based on own resources represents an important step towards European Union. Let us at all costs not sacrifice that progress!

President. — I call Mr Deschamps.

Mr Deschamps. — (*FR*) Mr President, ladies and gentlemen, if the two minutes speaking time available to me count towards the speaking time of my group, i.e. the Group of the European People's Party, that, I assure you, is the only political colouring of my speech, which is in no way based on party-political or biased arguments. It is inspired solely by humanitarian considerations and I hope that Parliament will see it in that light since we often hear references in this House to respect for human rights. I refer of course to the additional 10 million ECU for Poland.

Ladies and gentlemen, I have just come back from Poland and that country deserves the interest of our Assembly more than others at present; all possible practical, financial and budgetary measures should be taken in its favour to enable the Poles to survive. That is the heart of the matter. There is a problem of life or death for millions of men, women and children, elderly and handicapped people whose melancholy queues I was able to see in Warsaw, in Czestichowa and elsewhere.

Ladies and gentlemen, the 10 million ECU are available. Moreover, the appropriations can be spent this year and I am grateful to Mr Langes for promising to see to their distribution although these funds will not be sufficient to meet the needs existing in Poland. Thirdly, in response to an opinion which has sometimes been voiced, let me tell you that I met the Polish Vice-Premier responsible for the distribution of aid: I am able to assure you that the aid which we grant to Poland actually reaches that country and benefits all those whom we wish it to reach as a matter of priority — laying all political considerations aside — i.e. the elderly, children, the handicapped, those who are the most unfortunate and in the greatest need in our society.

Ladies and gentlemen, we have to choose a particular policy but, as I have already stated, that is not the aspect on which I wanted to focus, I am sure that all those Members who have rightly referred here to the principles of respect for human rights will unanimously translate those principles into practice through a favourable vote enabling aid to be given to the least privileged and to those who lack the most elementary rights.

Thank you, Mr President, and a particular word of thanks to all those Members who vote in favour of this amendment.

President. — I call the Commission.

Mr Tugendhat, Vice-President of the Commission. — Mr President, may I begin my remarks by saying that I hope very much that Mr Fanton will return to the

chamber. If I may say so with great respect to Parliament, it is not, I think, a very good procedure — and I could choose stronger words than that — for people to attack a Commissioner or the Commission, to say they expect to have a reply and immediately to depart from the chamber without waiting for that reply. I say, here and now, so that there is time for Mr Fanton to return, that I shall reply to him and I hope that he has the courtesy to be in his place when I do so.

Mr President, I will go through the speeches in the order in which they were made, which will have the additional advantage of giving Mr Fanton the time to return from whatever it is he is doing. I will start with Mr Arndt, who is also, of course, not here, although he too spoke quite strongly about the Commission. I think that when one criticizes the Council for its absence — and I criticized the Council for its absence — and I criticized the Council for its absence during my speech — it is important to bear in mind that it is quite a good idea to be present oneself.

Mr President, Mr Arndt criticized the Commission for not letting Parliament know earlier about its intentions. He pointed out that the lateness with which we brought forward the proposal made it difficult for Parliament to spend the money in time. Indeed he asked me the specific question whether, if this budget were passed, we could spend the money in time. I sympathize with his point about the lateness of the proposal and the consequences that flow from it, but I first of all want to point out that we did, in fact, send the proposal forward on 4 October.

Secondly, the House must really bear in mind that it is only possible to bring forward a specific budgetary proposal when one has the material to go on. It would have been quite possible for us to have said in July, 'It looks as if expenditure on agriculture is under-shooting, but we don't quite know what it will be and we will bring forward a proposal which may or may not be apposite'. It would have been quite possible for us to do that, but we should then have been criticized for imprecision. In fact, we can only bring forward our budgetary proposals when we know what the underlying situation is, and the nature of the agricultural cycle — I mean, when crops are harvested and that sort of thing — does make it difficult for us to act earlier. Members with more experience in this House, such as Mr Lange who will be speaking after me, very well know that it is always at about the same time of year that we bring forward these proposals, partly for the reason I have mentioned, the agricultural reason, and partly, of course, because it is only then that we are fully in a position to take account of the changes in the VAT payments of the Member States.

Mr Arndt's specific question, however — and I hope that he is in a position to read this in the 'rainbow' tomorrow — was whether we would be able to spend the money we have asked for if the budget is passed. Well, the answer is that we would. Last year, when, of

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course, a supplementary budget was passed very late in the proceedings, we showed, I think, that we were able to spend money very rapidly if we were dealing with a specific point. On that occasion it was the Social Fund; on this occasion it would, if the money is available, be for a social *volet* and the least-developed countries. So I can answer his question on those two points in the affirmative, so far as the money for which we have asked is concerned.

Mr Langes spoke next and asked me about Poland. His question was whether we could spend the 10 million which he wanted for Poland and the 2 million which he wanted for the non-governmental organizations. Well, Mr President, Poland is a complex matter, because, of course, so much depends on the way in which the money is made available. In the past we have made money available for Poland for various specific purposes, and the money has been linked to very specific matters. If we were to proceed on the same basis as we have done in the past, then I must say I don't think we would be able to spend the money in time. If, of course, we simply made out a cheque to the Polish Government, as it were, well then obviously one would be able to spend it, but that in turn, as I said a moment or two ago, would raise other issues. That is the best answer I can give, and I am not quite clear at this stage how exactly Parliament would wish us to proceed if the money is made available.

So far as the non-governmental organizations are concerned, there too the matter is not entirely straightforward, because, as I think the House knows, it is not our habit merely to write out a cheque to the United Nations Organization or Amnesty International or the Red Cross or whatever it might be; our projects with the NGOs are usually on a sort of joint basis and therefore have to be set up in advance. So again, on that basis, clearly there would be difficulties. Now, I am not suggesting that there aren't other bases, but then one runs into problems — which we can certainly talk about — relating to the budgetary regulations and the normal way in which the budgetary authority has dealt with these matters in the past, as well as ourselves.

Mr Price spoke next, Mr President — I am trying to go through the speakers in the order in which they actually appeared — and he made a point about food aid. And here he was really concerned, I think, with the entry. Now I understand his preoccupation very well, and it is a point which my colleague Mr Pisani — not because he is here at the moment but because he is the relevant Commissioner — and I have agonized over a certain amount. I can well understand the concern that it caused Mr Price. Now let me explain, perhaps, in a little bit more detail than I normally would in a concluding speech.

The House will be aware that the Council contested the Commission's view that the Commission's proposal could be implemented as an *action ponctuelle*,

in other words, without a specific legal base in addition to the budget entry. The Commission was therefore faced with the choice between the appropriations not appearing in the draft budget or, alternatively, the appropriations appearing but subject to the Commission undertaking to submit a specific proposal to provide a legal basis for their implementation. After very serious consideration of the options the Commission came to the conclusion that on this occasion the overriding consideration had to be the entry of the appropriations in the draft that the Council was about to adopt.

When taking this decision the Commission was aware that Parliament would have a strong preference for us to implement without an additional legal base being required. It recognized that we were touching on a most important interinstitutional and legal point but, as I have said, we judged that the humanitarian aspects on this occasion had to take precedence. The Commission therefore hopes that Parliament will recognize the strength of this argument. Not only would the public at large not understand the reasons for putting the real needs of the most desperately poor and undernourished people in jeopardy but I think the hungry too could never be expected to suffer continued difficulties because of an interinstitutional conflict. Therefore, Mr President, I urge Parliament to support this aspect of our proposal and the Council to adopt the draft legislation that we have proposed.

As I say, this is a longer reply than I would normally give but I recognize Parliament's justifiable sensitivity on the interinstitutional point. I also recognize that we are under very great pressure — pressure which I support, if I might put it that way — from Parliament, for taking action for dealing with the least-developed countries and that is how it seemed to us best and fairest to resolve the matter on this occasion and I hope the Parliament will agree with us.

Mr Spinelli came back to the point that he has raised before concerning Chapter 100 and, indeed, suggested that then the money could be carried over into 1982. I have made the arguments about Chapter 100 on many different occasions and I do not think that I need weary the House by repeating them now. Our view is that Chapter 100 ought not to be used as a device for a sort of co-management and that if it is used as a device for co-management, it will only delay the implementation of the budget, which will in turn mean that the House will no doubt criticize us when it comes to the discharge for not having done it quickly enough. As to the point about carry-overs to 1982 I will be returning to that point when I have replied to Mr Irmer, but it will, of course, run counter to the principle of the annuality of the budget, which is something to which Parliament has in the past, quite rightly in my view, attached very great importance.

Mrs Scrivener, I was pleased to see, supported our proposal for the 62 million in the steel sector and I was

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also pleased by what she had to say on the least-developed countries. But of course the kernel of her speech was her point about the Council not wishing to launch new policies and that, I fear, in the end, is the point which we always come back to — that if there was a greater willingness in the Council to launch new policies, then so many of the difficulties which we have been talking about now would, while not perhaps disappearing, at least become a great deal easier to deal with than they are at the moment.

Mr President, I am grateful to Mr Fanton for returning in view of the points which he made in his speech. I must say several things to him. First of all, it wearies the House if I have to repeat what I said, only two weeks ago, at equal length on a second occasion and I have, in fact, explained on several occasions now the reasons why the agricultural expenditure has been less than was originally foreseen and I have on several occasions — but I will certainly repeat it for his benefit now — drawn attention to the fact that the Commission deserves some credit for its better management.

I have also said that the House deserves some credit for having drawn attention to a number of things in the past which it felt could be tightened up and which we have tightened up.

Then — and this is a point where he and I do not have entirely the same point of view — I have also pointed out that one of the reasons why we have been able to tighten up — and that had been particularly true of milk products, — has been that we have been able to cooperate very closely with the other main producers on international markets — in the case of milk products of course that means New Zealand — and as a result of the cooperation with New Zealand we have been able to raise the world price, and that by raising the world price we have been able to save money quite dramatically on export restitutions. Of course one of the most interesting features of the budget at the moment is the extent to which the weight of the milk sector has been reduced. So I do ask him to recognize that I am not an unduly modest person. I have claimed the credit on several occasions in the past for the better management, in all its aspects, of the Commission.

But I have also pointed out — and this is something which everybody must recognize — that 1981 has been an exceptional year in a variety of ways which are quite outside our control. The most important way in which it has been exceptional has of course been the astronomic rise in the dollar. The result of the astronomic rise in the dollar has been to push up world prices of a number of commodities that are normally priced in dollars, which has in turn helped us. It has also of course had a variety of other effects as well. However, we have benefited from the weather.

Now Mr Fanton has a long experience of the Community and he will recall that there was a very

exceptional year in 1974. In 1974, unlike 1981, agricultural expenditure actually fell — which it has not done this year, it has merely risen by much less than we expected. In 1974 it actually fell and a lot of people thought that a new dawn had begun and that the pattern of Community expenditure would be very much affected by it. But of course in 1975, 1976 and 1977, etc. we were confronted by 25% annual increases in agricultural expenditure and we can see, looking back, that 1974 was a very exceptional year.

So it is important for us to bear in mind the nature of the exceptional circumstances that have applied this year and to remember that they may very well not recur next year. Who can tell? Perhaps the dollar will rise still further and perhaps the Polish situation will be replicated in other countries and crops behind the Iron Curtain will be worse even than usual. Perhaps there will be additional special circumstances. But it is very important to bear in mind these special circumstances because by definition they cannot be foreseen. They could not be foreseen by us and they could not be foreseen by Paris, or Bonn, or London or anywhere else. Indeed I am told that in Germany — but I may be misinformed — they were really quite startlingly wrong on the dollar/deutsch mark exchange rate, and they would not have been alone in this. So there has not been bad forecasting on our part about agriculture, and it has resulted from these sorts of factors which have caused quite as much stir in Paris, or Bonn, or London, or The Hague, or anywhere else.

That then brings me to his point about the British payments on which he was rather unclear, but certainly there are some rather disagreeable implications, if I may say so. Now of course the uncorrected amount, without the supplementary measures, the United Kingdom is paying into the Community has turned out to be less than the Council, as well as ourselves, had expected when the 30 May agreement was signed. But as the House knows, agriculture is the dominant element in the budget and agriculture happens to be the dominant element determining the level of the UK contribution to the Community. It follows, therefore, that if agricultural expenditure is lower than expected, the amount that the UK pays into the Community is likely to be lower than expected. There is nothing sinister about that; there is nothing that reflects either on our forecasting abilities or on those of the signatories of the 30 May agreement — be they the French, or the Germans, or the British, or the Italians, or anybody else. A great many things come back to what has happened to the dollar and to the effect that that has had on world markets. While we are proud of our management, we do not want to ignore factors of that sort.

Mr President, Mr Irmer argued that the money that we are saving on agriculture this year ought not to be paid back to the Member States. Indeed he argued that by suggesting that some of it should be paid back

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to the Member States, we were actually going against the own-resources system.

First of all let me say I simply do not accept his contention. There is nothing inconsistent with the integrity of the own-resources system, which the Commission is certainly pledged to defend, in putting forward a proposal of this sort. The Commission is aware of the very considerable burdens that Member States have to carry. We are very much aware of the need to strike a balance between the interests of the taxpayer, the person who actually has to put his hand in his pocket and hand over money to his own government or to the Community or anybody else at a time of very great economic stringency and high unemployment and in most countries depressed living standards. We are conscious of our responsibility to the taxpayer and, therefore, if as a result of the factors I was describing to Mr Fanton, we find that there is a wind-fall on the agricultural side, I make no apology for sharing the benefits of that with the hard-pressed taxpayers in the various Community countries. I think that if we are prepared to take account of the interests of the taxpayers, when a situation of this sort occurs, that will strengthen our moral authority when we ask for more money at some future date for necessary activities. It will show that we are not always asking for more; that we ask for more when it is needed, that when something unforeseen occurs we are prepared to be balanced and reasonable. I think that that is right.

I would also remind Mr Irmer that Parliament has in the past always attached the very greatest importance to the annuality of the budget and that it is quite simply inconsistent with the position that Parliament has held in the past to argue that we should keep this money now and carry it over into 1982. Parliament, in the past, has always criticized the idea of making carryovers of that sort.

Now that is not to say that the budget regulation could not be changed and that the budget procedure could not be changed so that we were able to run a strategic reserve. Now, if the Parliament and the Council wished to change the budget regulation so that we had a more sophisticated form of budgetary procedure than we have, so that we were able to go in for deficit financing on the one hand, when that was appropriate, and to build up a reserve for use in future years, when that was appropriate, that would be another matter. I have no doubt that Mr Irmer will be advocating that for the future, and there is a great deal to be said for ideas along those lines. But we live in the world as it is, and in the world as it is, Parliament and the Council have always said that we should respect the regulation and attach importance to the annuality of the budget. That is why we have done so, Mr President.

I have taken longer perhaps to answer the debate than I did in my original speech. But a number of people really did raise very serious points to which it was

important that I should provide an answer. I hope, Mr President, that the answers I have provided show the very considerable seriousness with which the Commission treats the ideas and the proposals put forward by the European Parliament in budgetary matters — both those with which we agree and those with which we disagree. I hope it also shows that, while we do take pride in our own achievements, we are also not ashamed to point out when things happen, on this occasion to the good, which happen to be outside our control.

President. — I call Mr Fanton.

Mr Fanton. — (*FR*) Mr President, may I apologise to Commissioner Tugendhat for not having been present when he rose to speak but I was attending a meeting of the Committee on Agriculture which is being held right now. I thought that he would speak at the end of the debate and had taken the liberty of going to the Committee on Agriculture to vote on a number of texts.

In that connection may I point out to you, Mr President, that in room 2 in the IPE building there is no television monitor screen to indicate the progress of the debate. Could the Secretary-General remedy that shortcoming?

May I also thank the Commissioner for his reply.

President. — I call the Committee on Budgets.

Mr Lange, Chairman of the Committee. — (*DE*) Mr President, ladies and gentlemen, I have the impression that there is some confusion here in the Chamber and among my colleagues outside over this supplementary and amending budget and the questions which it raises. I think we should make it clear again how Community policies are financed. Simple reference to own resources is not enough. The Community has at its disposal all customs revenue, apart from duties on the products of the Coal and Steel Community; secondly, all agricultural levies; thirdly, revenue from the sugar and isoglucose levy and fourthly, financial penalties and similar charges — without limitation depending on the amounts actually incurred. The final and most important component of own resources is the percentage of net VAT revenue up to a maximum of 1%. Parliament has tried in the past with the help of the Commission to ensure that the full 1% is made available to the Community; then we could have saved money and constituted reserves. We could have financed policies without any additional burden on the Member States. Today that is not possible since the proportion of that 1% is only available to the extent necessary to close the gap between the other own resources and the total Community expenditure. These are all the own resources which we have.

Lange

We fix their amounts at the beginning of the budgetary year. If supplementary and amending budgets are put forward during the year, we change the level of the expenditure and thus also the basis of assessment of VAT within the 1% maximum. Had we really wished to attain the objectives so eloquently explained by Mr Irmer, the Commission should have been advised from the outset not to present a supplementary and amending budget. We could then have discussed at a later stage what to do with the money which remained unused. But, I am sorry to say, as things stand at present we cannot proceed in the way requested by several of my colleagues.

In addition we must remember the annuality of the budget. We disregarded that principle on one occasion — on one occasion last year in carrying forward the 262 million EUA which had not been spent under the supplementary budget. 129 million EUA had been spent and the rest was carried forward to this financial year. Parliament then clearly indicated to the Council that this was a unique event because we had in practice linked two financial years, 1980 and 1981, and we had done so precisely because with supplementary budget No 1 the Council had already taken the same step. We have agreed not to undertake a second manipulation of this kind. If then we are to remain true to our promise in respect of annuality, neither the Council nor we ourselves can follow the procedure suggested in respect of the 729 million ECU. I would therefore urge my colleagues to reconsider the matter since the basis for financing the Community differs from the essential basic requirements which would have to apply if we wanted to proceed in this way. It is impossible simply to carry over appropriations. Had we not had a text from the Commission the situation would have been rather different.

I wanted to draw your attention to this point and to remind you that when we were considering supplementary budget No 1 for 1980, the Council and Commission once again wanted a joint declaration by our three institutions confirming the annuality and the principle of economy.

We cannot accept that arrangement. We have clearly indicated in the resolution that we have always stood by these principles and hope that the other institutions, in particular the Council, will also do so in future. If we recall all these points, ladies and gentlemen, we are bound to ask ourselves what steps can or cannot be taken under the present conditions.

I wanted to draw your attention to these facts so as not to give the impression that we can act freely in this area as we think fit. We are bound by the Treaties. Nor is action possible under the Financial Regulation since it would require an amendment to the Treaties or an amendment to the decision taken by the governments in 1970. That agreement would have to be ratified again if we wish to change our procedures. May I remind you that all this is impossible in connection

with the second supplementary and amending budget for 1981. Moreover, it seems to me that we should confine our attention to feasible aspects, namely to actions which can and must still be financed before the end of the year. We should then have established a reasonable basis for discussion with the Council at the conciliation meeting on 23 November next. That would also lead on to the second reading of the supplementary budget and to the second reading of the budget for 1982.

Ladies and gentlemen, I apologize if I have spoken at some length but I simply wanted to encourage you to reflect on the underlying situation. If we want to proceed differently in the Community we must be clear about the fact that certain statutory measures will then be necessary under the Treaties which we cannot implement on our own but only in conjunction with the Council of Ministers and the Member States. We must therefore always remember that the budgetary authority consists of both the Council and the Parliament; we must jointly find a solution to the problems facing the Community today.

President. — The debate is closed.

The motion for a resolution will be put to the vote at the next voting time.

7. *Special food aid for the least developed countries*

President. — The next item is the report by Mr Cohen, drawn up on behalf of the Committee on Development and Cooperation, on the

- proposal from the Commission to the Council (Doc. 1-676/81) for a regulation on the granting of special food aid to the least developed countries (Doc. 1-708/81).

I call the rapporteur.

Mr Cohen, rapporteur. — (NL) Mr President, my report has been placed on the agenda because it has a twofold function. It forms part of the opinion which Parliament has to deliver on the action plan submitted by the Commission to the Council on measures to overcome world hunger; it is also an opinion of the Committee on Development and Cooperation for the Committee on Budgets in respect of the 1981 supplementary budget.

I had hoped to speak today as rapporteur on part of the action plan to combat world hunger. I would not have indicated our agreement with all of the Commission's proposals but I would have welcomed the plans and I could certainly have spoken in reasonable terms. Unfortunately I am unable to do so in my capacity as

Cohen

draftsman of an opinion for the Committee on Budgets. In that capacity I shall have to say a number of unfriendly words. We are naturally completely in agreement with the proposal to enter the amount of 40 million ECU in the supplementary budget by way of food aid for the least developed countries.

Following the conference on the least developed countries held in Paris in September this year, we now have the first, albeit incomplete, Community plan to alleviate the needs of those countries. This is a welcome start although a better defined policy will have to follow. Be that as it may, the Committee on Development and Cooperation unanimously approved this proposal to make available 40 million Units of Account.

However, with the same unanimity, the Committee felt unable to agree to the Commission's proposal to the Council in respect of a special regulation relating to the supply of food aid. We have not even looked at that regulation. We unanimously felt that in this instance no special regulation was necessary and that the food aid could be supplied immediately after approval of the amount and its entry in the budget on the basis of existing administrative and budgetary provisions. The Committee on Development has therefore tabled an amendment to supplementary budget No 2 for 1981, seeking to delete the last sentence of the remarks against the budget item for these 40 million ECU; that sentence calls upon the Council to adopt a special regulation.

At the same time the Committee on Development requested the Commission — in complete accord with our amendment — to withdraw its proposal for a draft regulation. As was already apparent in the debate on the supplementary budget, the unanimity expressed by the Committee on Development did not go unnoticed. The Committee on Budgets also adopted an identical amendment after looking at our committee's amendment. Next Thursday we shall therefore be voting on this amendment — and I naturally expect that at least 218 votes will be obtained — and on the Committee on Development's proposal that the Commission should withdraw its draft regulation. We shall be voting on these points on Thursday and we shall then see to what extent Parliament is willing to fight for its own rights. Let there be no misunderstanding about it: this is a serious matter. Either this Parliament has the right by adopting appropriations in conjunction with the other arm of the budgetary authority, the Council, to create the conditions necessary for further extension and implementation of the existing food aid policy, or Parliament does not have that right. In that case there would be little point in approving the 40 million Units of Account since no-one can give us a guarantee, not even the Commission can do so, that the Council is willing to accept the draft regulation in the form submitted by the Commission. Nobody, not even the Commission, can guarantee that the draft regulation will be adopted quickly.

Mr President, this brings me back to the observations made by Mr Tugendhat in connection with this same matter during the budget debate. I was rather disturbed by Mr Tugendhat's words because he saw to it that our debate took on a colouring which I should not have expected. In reality Mr Tugendhat is implicitly recognizing that we in Parliament are right and that the Commission is hiding behind legal artifices for political reasons. Mr Tugendhat did not adduce one single argument to show that what we in Parliament are proposing with our amendment is not possible or that we are not entitled to do this. The Commission has been won over by the Council's blackmail since the Council has quite wrongly asked it to submit a draft regulation.

As usual three institutions of the European Community are represented here this afternoon: the Commission, Council and Parliament. But there is also a European Court of Justice. I maintain that the request made by the Council to the Commission is irregular and that the Commission has been won over to unlawful action. Questions which budgetary policy must answer are essentially these: Mr President, this irregular action will not even achieve Mr Tugendhat's aims, having regard to the humanitarian aspect and public opinion. I consider this a mediocre discussion. It reminds me of the attitude of a mother who says to her children: you may do A or B but if you do B mother will be annoyed. That is the level to which we have been reduced. The humanitarian aspect is given more emphasis in Parliament's proposals than in those from the Commission or in the Council's irregular actions. If our amendment is adopted we shall be seeing to it that simple entry of this amount in the budget creates the possibility for the money to be actually spent. Why should we wait months for the regulation to be adopted?

Moreover who can guarantee to me that the regulation will actually be adopted, having regard to the lack of a government in Belgium and the forthcoming elections in Denmark? Does a new regulation on food aid form part of current business or not? Could some governments ask for the matter to be postponed? Will it take three, four or five months for the regulation to be ready and published in the Official Journal or will it be ready by 2 January? Who can give me any guarantee on this? Our policy is justified; it is based on the Treaty and gives support to the Commission, as the guardian of the Treaty, by asking for its own rights and those of Parliament to be respected. An institution only deserves to have authority if it proves equal to its tasks. That applies to Parliament and equally to the Commission.

I think I have said enough, Mr President, I had not actually intended to speak this afternoon especially after hearing Mr Tugendhat's comments on the content of the Commission's proposal. The debate on the action plan against world hunger will take place in December or perhaps in January, but certainly in the

Cohen

near future. We shall therefore be returning to these matters. We are concerned at this stage with the 40 million Units of Account. They must be used as quickly as possible. Parliament's policy will enable them to be used. The irregular action by the Council would prevent that and the Commission should give more thought to its own rights.

IN THE CHAIR: MR MØLLER

Vice-President

President. — I call the Group of the European People's Party (Christian-Democratic Group).

Mrs Rabbethge. — (*DE*) Mr President, ladies and gentlemen, I shall be very brief because the Christian-Democratic Group in principle agrees fully with Mr Cohen's observations as rapporteur for the Committee on Development and Cooperation. Since we still have a few weeks before this aid must be put into effect, we should like further and above all more precise information from the Commission before reaching a definitive opinion in the course of this week.

President. — I call the European Democratic Group.

Mr C. Jackson. — Mr President, my group will support Mr Cohen's report and indeed the Commission's proposal to provide exceptional food aid for the least developed countries. We do not do so, however, without some reservations, and our reservations are applicable with even greater strength to the Pannella resolution referred to earlier this afternoon. As we have heard, this proposal is a windfall, a bonus arising because the cost of the CAP has been less than expected; and to the extent that we can use these funds to diminish the amount of world hunger, this is obviously something the Parliament would welcome. But I wonder if the Commission have not taken too easy a path in merely advocating food aid. We all know that food aid is not a panacea. Could we not have better spent some of the 40 million ECU on improving food production in some of the least developed countries? By doing that we should have done more to solve the long-term problem of hunger.

Mr Cohen's report rightly points out that food aid can only effectively serve the interests of the developing countries if it is given in the framework of an integrated strategy. Again, would we not have done better to use at least some of the funds being proposed to help least developed countries that do not have them

to develop food strategies? In committee, I asked the Commission how much of the food aid would be sold on major markets, thus in effect giving a cash subsidy to the developing country, and how much would be provided to the needy in rural areas, but risking the disruption of their local markets. I did not get a very clear answer. Now the truth is that food aid can do as much harm as good unless it is given very carefully indeed. I hope the Commissioner will be able to comment on my reservations.

In conclusion, I would like to give my strong support to one particular element of the report and the proposal — namely, the proposal to provide 100 000 tonnes of cereals for an emergency reserve, which I believe to be a very positive step.

President. — I call the Communist and Allies Group.

Mrs Poirier. — (*FR*) Mr President, we naturally agree with this emergency plan proposed by the Commission. In particular I have noted with interest the proposed diversification enabling the specific food needs to be met more satisfactorily in specific situations. I welcomed the references made in the motion for a resolution and in Mr Cohen's report to genuine food strategies and in particular to the new substantial action programme adopted by the Paris Conference. Based on the definition of national food strategies by the countries directly concerned in the light of their own needs, this programme could really enable us to make progress. It is quite certain that, however necessary food aid may be, it cannot give a good conscience to some of us or serve as an alibi. The fundamental objective is to create the conditions for local development.

We hope that concrete commitments will be given to apply the guidelines laid down by the Paris Conference. The United Nations programme provides for development aid to be stepped up to 0.15% by 1985. In the budget debate we proposed an EEC contribution supplementary to the national contributions to finance the new substantial food programme. I would remind you that once again, when the time for real decisions came, our Assembly evaded the issue. The motion was rejected and I even have the impression that today's rapporteur, Mr Cohen, voted against. However, that was an excellent opportunity to include these expenditure items in the budget itself and that would have avoided the need for some of our discussions today. However, this does not alter the fact that, as I said to begin with, the Commission's proposal is looking in the right direction and has our support.

President. — I call Mr Pannella.

Mr Pannella. — (*FR*) Mr President, for once — and once is not a habit — I think that the criticisms made

Pannella

by our friend and colleague, Mr Cohen, and other previous speakers are certainly justified. I am afraid that we are dealing with a personal attitude, and I deeply regret the fact since esteem and confidence in an individual already reflect a political position. I am afraid that we are trying to buy a good conscience cheaply or adopt programmes which are not equal to the problems needing to be solved but rather the result of introspective consideration of our own problems.

I do not agree with the previous speaker who said that he wondered how signatures had been collected in Parliament; otherwise I might myself wonder how shameful decisions are collected within the Commission such as the decision of 9 November on Turkey which is a mystery to anyone who knows the democrats at the Commission. I maintain quite simply that these 40 million Units of Account are a lure, a mirror for us to look at our own reflection. When our Parliament — not by a show of hands or on the instructions of the President but by a series of clearly given signatures — asked for an extra-budgetary procedure to be opened with the ten Member States, it was seeking to add to the Brandt position on development, to which we subscribe, an ethical element without which no interests can be defended. Our Parliament felt that at all events the value of life and the struggle against the holocaust demanded an extraordinary effort.

We did not ask the Commission to make ready to spend 5 thousand million to save 5 million human beings under its own responsibility. We simply asked for a financial plan to be drawn up. After that the whole UN system exists for expenditure and could have been drawn upon according to the methods indicated in the North-South Report with the assistance and participation of the Commission, among other bodies. We asked for a plan, a financial project to be drawn up within 30 days; but we certainly were not asking for DG VIII to save the whole world . . .

Mr President, that is why I am very sorry that we should now be sacrificing to a kind of Realpolitik of 40 million units of account the plan which our Parliament had drawn up with the inspiration of the scientific spirit of 40 out of 54 Nobel Prize winners following the official notification given here in a colloquy held in a room only a few yards away from this Chamber, by leading representatives of the UN system. We are simply asking the Commission to take the responsibility of honestly rejecting, if it wishes to do so, the policy which the European Parliament has chosen and asked it to choose and support. That may trigger off a conflict but not a conflict between one wise man and others who may be less wise; on the contrary it will be a conflict between two different forms of wisdom. I maintain that we as representatives of 300 million Europeans, carry the message of true wisdom and realism. I think, Mr President, that our Parliament can boldly reaffirm this to a Commission which does not seem to be convinced.

President. — I call the Commission.

Mr Pisani, Member of the Commission. — (FR) Mr President, may I begin by saying that the 40 million ECU which we are asking to be made available represent only a small part of what the Community in any case already does each year.

If they are approved, these 40 million ECU will be added to a food-aid action which is constantly developing and increasing. I shall look at the legal aspect in a moment. I just wanted to say that the idea arose, when we found we had a budget surplus, to keep back these 40 million ECU because we had been informed of a number of requests which could be met immediately. May I say to Mr Jackson that since this was special aid it could not be made available for structural operations because financial intervention in the structural sector requires a great deal of time and preparation. Sometimes it takes months and even years of work. Moreover, the Commission is so aware of this that it submitted to the Council — which adopted it — a plan of measures to fight hunger; that plan tended to arbitrate between food aid and structural aid in the context of progressively more incisive action for structural purposes and to the detriment of food aid, to the extent that structural aid would have permitted progress towards self-sufficiency in food supplies for the countries concerned. In other words, food aid is an essential, if perhaps perverse, requirement for the immediate present. It is our duty to give that aid to enable human beings to survive; but it is also our duty to provide the means of changing the systems of production in such a way that the countries concerned can gradually become independent of such aid.

I turn now to the problem of the European Parliament's motion for a resolution. The figure mentioned was 5 thousand million dollars representing 50 million tonnes of aid. It could not therefore be a question of instantaneously mobilizing 50 million tonnes and that was never said in the motion for a resolution. I might remind you that in 1973 the announcement of a contract for the supply of 10 million tonnes from the United States to Russia sparked off an increase of some 50-60% in world cereal prices. If an announcement had been made (although this was never said) that 5 thousand million dollars or 50 million tonnes were to be taken off the world market for distribution to the starving nations, the cost of food on the world market would have doubled at the very least.

And so it was not a question of food aid but of a different form of aid — structural aid. But when we come to consider structural aid the time needed to set up projects, mobilize the beneficiary countries and educate the local population to operate investment projects, we are inevitably faced with a much longer time scale. I agree with the figure of 5 thousand million dollars, provided that proper plans are made

Pisani

and provided that the recipients are prepared to make the best possible use of these forms of structural intervention which take time and require preparatory studies. No action can be taken without the risk of immediately increasing prices or alternatively allowing the necessary time to implement the resources which have been mobilized. Is the European Community to abandon the struggle in the face of the present world situation which needs to be alleviated? My answer is no. Let me make it clear that the European Community — the Commission plus the Member States — at present accounts for one half of the public development aid mobilized by all the developed countries for the benefit of the under-developed nations.

This Community representing already 50% of the mobilized public aid decided, at the Conference of the Least Advanced Countries, to progressively step up its contribution and move towards the target of 0.7% of GNP or at least to reach a figure of 0.15% for the least advanced countries.

In 1985 the 0.15% of GNP, having regard to the evolution of European GNP, will be in the order of 5 thousand million dollars per year. I do not say that this is totally satisfactory but I do say it is feasible and reasonable. I am not claiming that we should do no more but at this level we are at least capable of making rational use of the available appropriations. I personally would hope that by 1985 all the European countries will meet the 0.15% target for the benefit of the least advanced countries. I venture to hope that they will reach the target of 0.7% of GNP for the benefit of the developing countries as a whole. If we do achieve that aim in the next 5 or 6 years we shall have done much to reverse the current trend. It must be recognized that after an initial period of generosity, intervention by the rich countries for the benefit of their poorer neighbours has, for the past few years, been more sparing, more hesitant and less certain than in the past. The plan of action against hunger proposed by the Commission to the Council, which adopted it, seems to us an adequate response to the problems which arise. Once again, if it were possible to speed matters up, we should want faster action but only at a rate such that the mobilized appropriations are used as rationally as possible on a scale corresponding to the ability of the recipient countries to use them.

I come now to Mr Cohen's analysis of the provisions relating to the supplementary budget. May I say, after Mr Tugendhat has already outlined the conditions under which this document was prepared, that we had earlier proposed to the Council the mobilization of these 40 million ECU without an accompanying regulation. Our original position was fairly close to that of the Committee on Development and Cooperation. Faced with the difficulties which we experienced and with the risk of seeing the 40 million ECU rejected, we finally agreed to submit a regulation in support of this budget line. In other words the rapporteur's ques-

tion is legitimate and the position of the Committee on Development and Cooperation is perfectly correct. I would not like to protest for one moment against the analysis presented to you which is perfectly well founded in political and legal terms. But I hope also that the Committee will follow our reasoning. However important this political and legal conflict may be, does it justify us in losing an opportunity to mobilize 40 million ECU for the benefit of the poorest countries?

We did not think so. We did not think so for a number of reasons. Firstly, 40 million ECU represent a certain quantity of cereals, protein products and sugar to be distributed to a number of men, women and children who need them.

Secondly, this procedure does not run the risk of setting a precedent since by its very nature it is exceptional.

Thirdly, this appropriation will clearly be used according to the urgent procedure. As Mr Cohen knows, the 10-day telex system has been set up under which the Commission informs the Council of its intentions to use appropriations in a particular manner; the Council then has an opportunity to submit its observations and the final decision rests in effect with the Commission itself.

But before addressing myself to Parliament with a request not to adopt the restrictive position set out in particular in the second part of Mr Cohen's report, I want to say to Mr Cohen personally that the question of the date of adoption of this regulation, on which great stress has been laid, has no material foundation since the regulation has been adopted by the Council subject to approval by Parliament. As soon as Parliament adopts the text proposed to it — the budget line and regulation — the appropriations will be available on 2 January for immediate use. There is no new procedure in respect of this regulation. The regulation can be enacted as it stands because the Council has agreed to it: all that is needed is the conclusion of the present parliamentary procedure.

Ladies and gentlemen, at this stage in the debate I wanted to draw your attention to these general considerations which I have explained rather briefly in some respects. I very much hope that on the basis of this information and with an opportunity to hold a far more detailed debate on world hunger in a few weeks time, Parliament will reject the section of Mr Cohen's report in which the Committee on Development and Cooperation refuses to adopt the regulation. I do not think Parliament would lose any of its authority by taking up my proposal. I will have fired a warning shot at the Council and Commission by prohibiting them from adopting this procedure as a habitual practice and it will also have enabled appropriations needed for useful action to be made available on 2 January.

President. — The debate is closed.

The motion for a resolution will be put to the vote at the next voting time. The remaining items on the agenda are postponed until tomorrow.

8. Question Time

President. — The next item on the agenda is the first part of Question Time: Questions to the Commission (Doc. 1-720/81).

In accordance with the Rules of Procedure I would ask all Members to make their supplementary questions as short as possible. Complaints are made that Question Time goes on for too long and that we get through too few questions. Therefore supplementary questions must be genuine questions and not long statements.

Question No 1 by Mr Bocklet (H-495/81 ex 0-39/81):

It is frequently alleged in public that EEC funds are being used to destroy foodstuffs in the Community. It is said that regular use is being made for this purpose of appropriations intended for the support of Mediterranean products. Accusations of this kind are likely to harm the Community's image. There is therefore a particular need to make known the true facts.

1. Which fruit and vegetable products receive Community support?
2. What justification is there for these support measures?
3. What form does the support for individual products take?
4. What proportion of the total production in these sectors receives Community support?
5. Are all available transport, sales and distribution possibilities being used to dispose of surpluses in specific sectors and regions of the Community or are transport costs and other difficulties unacceptably great in relation to sales revenues?
6. What has been done up to now with the quantities withdrawn from the market under the support arrangements?
7. Is there any possibility of using the products withdrawn from the market as food aid in the areas hit by serious food shortages?
8. How much has the Commission spent to date on destroying products in this sector?
9. What is the relationship between the intervention price and production costs, and to what extent is this price designed to alleviate social hardship, particularly in those areas where existing production structures can be changed only in the longer term?

10. Is the necessary restructuring being carried out in the Mediterranean area or is investment still being made to strengthen existing structures and increase production?

Mr Pisani, Member of the Commission. — (FR) Mr Bocklet's question in fact covers eight points. I shall try to give a rapid answer.

First point: the list of products — and I hope you will excuse me for speaking like a greengrocer — is as follows: apples, pears, peaches, grapes, oranges, mandarins, lemons, tomatoes, cauliflowers.

Second point: the purpose of the measures is to stabilize prices paid to producers and avoid prices of the kind which might spark off a serious crisis on the Community market. The intervention system has led to the abolition of all the restrictions which existed before the creation of the Community on trade between the Member States.

Third point: the system is identical for all products. It consists either of withdrawal from the market by producer groupings or of public sales by agencies in the Member States. When the products do not reach a specified price level at the production stage, the resulting level of the basic price and purchasing price is fixed each year by the Council.

Fourth point: the products covered by the basic and purchasing prices represent some 82% of total fruit production and 30% in the case of vegetables. For fruit and vegetables taken together the proportion is 52% but effective withdrawals, which vary widely from one year to another, only applied to just over 2% of production — I repeat: 2% of total production of fruit and vegetables — in 1979-1980 and only 0.5% — I repeat: 0.5% of total production of fruit and vegetables — in 1977-78.

Items 5 and 6: the products withdrawn from the market are as far as possible directed towards one of the uses stipulated in Article 21 of EEC Regulation 1035/72 on the common organization of the markets in the fruit and vegetable sector, i.e. distribution without charge in the fresh state or after processing e.g. to welfare agencies, economically under-privileged individuals, hospitals or holiday camps; distribution to children in schools; distillation; animal feeding purposes in the fresh state or after processing; processing for uses other than nutrition . . .

(Interruption by a number of Members asking the Commissioner to read more slowly)

President. — Mr Pisani must be allowed to finish. This is a question with ten supplementary questions which ought originally to have been an oral question with debate. As President I feel that we owe Mr Pisani an apology since this question is so wide-ranging. Of

President

course you can always read Mr Pisani's answer in the rainbow which is published tomorrow.

Mr Pisani. — (FR) Mr President, I do not like reading. That is why I usually come to the platform with my hands in my pockets. But I am being asked oral questions which should be written questions. I am treating them as written questions because it is wrong for Parliament to be dealing in this way with such questions and even less satisfactory for a Commissioner to have to answer a list of questions of this kind.

I shall now continue to read items 5 and 6 calmly and collectedly.

It is not always possible to carry out actions of this kind for the following reasons: sometimes the surplus exists in a very small region remote from the market (for example in the case of mandarins) so that transport and handling costs would far exceed the value of the product which would not reach its destination in the required quality. That is a pity. The surplus is generated during a period of full production when all the means of transport and processing capacity are being used for normal marketing of the product. Since these products are highly perishable, those which are withdrawn from the market deteriorate rapidly and can no longer be used for human or animal feeding purposes especially as, more often than not, the storage facilities are being fully utilised. The Commission has available to Parliament a summary table showing these various uses over the last five years.

Item 7— given the highly perishable nature of these products, it is difficult to envisage the use of products withdrawn from the market for food-aid purposes since the length of the transport routes and a lack of distribution structures in the beneficiary countries may cause the product to have perished completely before use. Moreover, the products concerned are generally low in protein and carbohydrate value which reduces their value for food aid purposes.

Point 8 — since the intervention system began to function in 1967, compensation charged to the EAGGF budget for all withdrawal operations has totalled on average 60 million ECU per year or just over 0.5% of the current expenditure of the EAGGF guarantee section whereas production of the fruit and vegetables which may be bought into intervention represents 4.6% of ultimate agricultural production. The Commission would point out that this expenditure is in no way earmarked for the destruction of products but only for withdrawal from the market, and only one third of the quantities withdrawn in this way cannot be further used in the manner indicated in response to question 6.

Point 9 — the purpose of intervention prices is not to cover production costs but to ensure a modest minimum level of earnings for producers when the

market situation deteriorates seriously; a further aim is to avoid an even more serious deterioration of the market. In general, intervention prices represent about 50% of the normal market price.

Point 10 — side by side with the Community structural measures applicable to the Community as a whole and implemented with a considerable delay in Italy, the Council has in recent years adopted a series of specific programmes for the Mediterranean region aiming to facilitate the structural adjustments which are necessary in the agricultural sector, primarily in order to increase the possibilities for production diversification. The measures covered by the 1978-79 programme (irrigation, infrastructures, forestry, dissemination of information) have been started. However, the increased efforts made to facilitate structural adjustments cannot prevent investment operations being made in this particular case and in other Community regions without taking account of the necessary structural changes.

Two final observations: firstly, I must apologize to the interpreters. Secondly, there can be no suitable solution to the problem of the existence of surpluses when produce is perishable and does not enjoy a world market. Produce is withdrawn from the market simply to prevent prices from collapsing and the withdrawal is effected by professional organizations or by administrative decision. But since the drop in prices in fact greatly exceeds the level of surpluses, the drop in prices would become catastrophic if the surpluses were not withdrawn. It is the lack of elasticity in demand and the extraordinary sensitivity of prices which oblige us to intervene in a manner which may not be satisfactory but is nevertheless necessary.

Mr Bocklet. — (DE) Does the Commission realise that at a time when millions of people are going hungry in the world the destruction of fruit and vegetables is not only an economic but also a moral issue?

Mr Pisani. — (FR) I stated perhaps too briefly that most of the types of produce involved cannot be transported and that they are low in protein content; moreover they are also often in surplus supply in the very regions which are hit by hunger. There are no immediate consequences for the food system in the developing countries but, let me repeat, this type of action is necessary but not satisfactory. It is quite simply unavoidable.

Mr Cottrell. — Does the Commissioner feel that he has answered the question in precisely the right order? My information is that the destruction of horticultural produce cost the Community £ 35 m last year. Whether or not the horticultural produce itself has a calorific value to under-developed countries is not important: what is important is to what use that £ 35 m might have been put. Does the Commissioner not agree that

Cottrell

it would be better for market forces to decide how much horticultural produce can be effectively sold on the European market?

Mr Pisani. — (FR) That reference to market forces is not really topical. I do not know of any country, whatever its political philosophy, which respects market forces when the survival of thousands of farm holdings is at stake.

I do not think even President Reagan's America would refrain from intervening on the market when the market forces are leading to intolerable disruption. What we are trying to do is to prevent the market as a mechanism from dominating the lives of our citizens because that does not correspond to the spirit of the Treaty of Rome or to the underlying philosophy of the Common Agricultural Policy; moreover it would be incompatible with the ideas for which the Commission is the trustee.

Mr Ingo Friedrich. — (DE) Does the Commission see a quantitative limitation of intervention as one way of holding down costs in this area?

Mr Pisani. — (FR) I have in the course of my career held other offices and I shall tell you how things happen. It may on occasion be relatively cold in the south of France and relatively warm in Paris; tomatoes will then be eaten in Paris at a time when they are not ripening in the south. Prices go up. A week later it is hot in the south and tomatoes reach the market in substantial quantities but then the weather has turned cool in Paris and nobody is eating tomatoes. In face of the subtle and unpredictable mechanisms and of contradictions which we cannot control, how can you expect us to state in advance how things will turn out? The important thing is to know that the Commission and the market mechanisms act on certain margins to prevent disastrous situations from occurring and to prevent production surpluses or shortages from causing uncontrolled price fluctuations which, in some cases, act to the detriment of the consumer and in others to the detriment of the producer; they may ruin in a single day or week a whole year's work.¹

President. — As the author of the question is not present, Question No 2 has been withdrawn and No 3 will be answered in writing.²

Question No 4 by Mr Junot (H-414/81)

Could the Commission — which has taken no action but may have some ideas — please indicate whether, in its

opinion, the rise in the value of the dollar has had a favourable or an adverse effect on the European economy and whether it has undertaken any studies to assess its impact?

Mr Pisani, Member of the Commission. — (FR) It is very difficult to reply briefly to Mr Junot's question. What I can say in broad outline is that the rise in the relative value of the dollar resulted initially in a substantial increase in the price of our imports, especially primary commodities and energy products; later on, the rise in the value of the dollar made processed products and capital equipment manufactured in the United States less competitive on the world market and enabled certain European products to penetrate the American market while European companies were also able to beat the American competition on third-country markets.

As things stand at present, it is difficult to assess the precise consequences of this fluctuation which has been accompanied by certain other monetary practices which would need to be discussed. But that was not the purpose of this particular question. In short there are two stages: the rise in the value of the dollar is initially prejudicial to our interests but in the medium term it is compensated to some extent.

Mr Junot. — (FR) I am grateful to the Commission, and in particular to Mr Pisani, for the most interesting information given in reply to my question and since, like him, I do not wish to go into the details of a problem which would require a wide debate and since I have no further observations to make on Mr Pisani's statement, I shall leave my speaking time to the other Members who have put questions on this subject, in particular my colleague Mr Cousté.

Mr Cousté. — (FR) Mr Junot's question is far more important and wide-ranging in its implications than the answer suggests; the matter is currently being studied in the United States. Mr Reagan has set up the 'Gold Commission' specifically to analyse the effects of the variation in the dollar parity on the European currencies, especially within the EMS. I should therefore like the Commissioner to tell us, and I am sure he knows the answer, whether the Commission has set in motion a study of the convertibility of the dollar against gold and of a return to a real international monetary system ensuring stability for commercial and financial transactions.

Mr Herman. — (FR) We do not expect an answer to this question but perhaps the Commission could state at this stage whether it is looking into the problem and has commenced the appropriate study.

Mr Pisani. — (FR) My answer is yes.

¹ Further information in response to the question is published at the end of the Annex of 18. 11. 1981.

² See Annex of 18. 11. 1981.

President. — As the author of the question is not present, Question No 5 will be answered in writing.

Question No 6 by Mr Berkhouwer (H-419/81)

In view of the fact that the heads of the French and British Governments have decided in principle to re-examine the project for a Channel tunnel, does the Commission not see a special role for itself in producing initiatives to ensure that this project will not be carried out exclusively by or on behalf of the governments of the two coastal states, but will be placed in a Community context which includes financing?¹

Mr O'Kennedy, Member of the Commission. — The Commission understands that the recent discussions between the United Kingdom and France concern the reopening of joint studies of this project. Should a decision be made to construct the link, the Commission expects to be notified under the decision regarding the consultation on projects of potential Community interest which was adopted by the Council in 1978. If a notification is received the Commission can consider with Member States what action to take. The honourable Member will know that the scope for Community involvement is limited as the Council has yet to accept the Commission's proposal for a specific financial instrument for this sector which was presented by the Commission in 1976 and 1980. The Commission hopes to reply in the near future to Parliament's request for a report on the financial questions affecting the link, as mentioned in its resolution on the construction of a Channel Tunnel.

Mr Berkhouwer. — (NL) I regret the extremely reserved position of the Commission on this European venture and would like it to say whether it agrees that this matter has implications for countries other than just England and France? Will the Commission itself not do anything to get this project off the ground since it has a great appeal to the citizens of Europe?

Mr Tugendhat is unfortunately not with us at the moment but is his colleague in the Commission aware of the statement which he made in England to the effect that the Commission, or at least he as a Commissioner, was willing to make available Community funds? Could the Commission not address itself to the Investment Bank? The Investment Bank financed the Bosphorus bridge. Cannot we in Europe jointly build a Channel Tunnel?

Mr O'Kennedy. — I can assure the Parliament that the Commission does require to be consulted. They share the view Mr Berkhouwer has expressed that this is a matter of European interest and has a very clear European dimension and can be, indeed is, an expression of

the European dimension and European ideal. As Mr Berkhouwer and the House will, I think, know the Commission is at this moment examining the question with a view to reporting to Parliament very shortly on the basis of the resolution adopted by Parliament. So I can assure the House that the Commission shares the view expressed just now in the supplementary question.

Mr Gondikas. — (GR) Mr President, I should like to draw the Commission's attention to a petition from the Automobile and Touring Clubs of all Community Countries and to ask to what extent the Commission is in principle inclined to accept the petition and to proceed with studies on the construction of a motorway at the same time as the railway line.

Mr O'Kennedy. — It would obviously be premature to speculate about the nature of the link at this point but let me none the less indicate, as I have said, that the Commission does expect to be informed and the Commission will have a position. In anticipation of that, I want to stress again that the Commission is even now examining with a view to reporting to the Parliament on the basis of the resolution recently adopted here the outlines of the position which the Commission feels will be appropriate. It would be premature for me at this stage and in advance of completion of that study to give any further indications.

Mr Boyes. — Recognizing in my country one of the principal countries involved — and I might remind Mr Berkhouwer that I understand that this tunnel is going across from Britain to France and not from Dover to Rotterdam — that attitudes to the development of a Channel Tunnel . . .

(Cries of 'Question, question!')

Mr President, would you please call those people over there to order?

. . . As I was saying, there are different attitudes to the development of a Channel Tunnel on political, environmental, economic and social grounds. The majority of people in the United Kingdom believe that the top priority is to tackle unemployment and unfortunately the highest levels of unemployment occur in those areas of the UK that are the greatest distance from the entrance to the tunnel itself — Northern Ireland, Scotland, Wales and the region I represent in the North East of England, where unemployment has reached totally unacceptable levels, in certain areas exceeding 30%. Even though the Commissioner may have sympathy with the idea of building a tunnel, does he not agree that the Commission's first priority should be to use Community funds for the establishment of permanent jobs in areas of mass unemployment?

¹ See Annex of 18. 11. 1981.

President. — I would ask British Members to refrain from carrying on partisan quarrels within this Parliament.

Mr Galland. — (*FR*) Mr President, having regard to the conditions under which Mr Boyes spoke — and I am not English — could you not use your authority to say that the question put by him has nothing to do with Mr Berkhouwer's question and that the Commission does not need to reply?

Mr O'Kennedy. — No comment except that I hope we are talking about building links rather than breaking such links as may already exist. And as to the second part of the question, that will be discussed in the mandate report and debate tomorrow.

President. — I call Mr Boyes on a point of order.

Mr Boyes. — Mr President, I think you actually ruled on Mr Galland's point of order that the Commissioner need not answer my question because it did not relate to the question. Have you actually read the question and realised that it is about financing? Any matter that is relevant to financing should therefore in this context be allowed as a supplementary question because he was totally out of order on that point.

President. — These regulations on employment are strictly related to British politics and I do not think that it can be the Commission's responsibility to involve itself in an argument as to whether employment is being sufficiently promoted in the United Kingdom.

Mr Balfe. — Will the Commission accept that the prospect of escaping from Britain by the highly effective means of a tunnel into socialist France appeals to some of my constituents in London and the large number of jobs that would be created by the construction of a tunnel would be of great assistance to the construction industry in Great Britain, which has one of the highest levels of unemployment going and would also be widely welcomed by a number of the trade unions within my constituency? May I also thank the Commissioner for the comment he made about the British Government's disgraceful decision not to provide any funding for the shipping link between Northern Ireland and the mainland of the United Kingdom. This, as he rightly says, is of course breaking links within the Community and I hope he will tell Mr Heath and Lord Carrington that when they come here.

Mr O'Kennedy. — At this point, I am beginning to doubt my own ears and, certainly, I am beginning to

wonder what I have said. I have no further comments to make.

Mr Patterson. — I will not bring up any party political points, but the previous Commissioner from the Republic of Ireland, Mr Burke when he was Transport Commissioner — paid a visit to the county of Kent, one side of the Channel Tunnel, and was convinced that the Community must implement the transport infrastructure regulation first before it could consider financing the Channel Tunnel.

(*Cries of 'Question, question!'*)

Does the present Commissioner agree and, if so, what steps is he going to take to ensure that this regulation goes through so that finance can be provided not just for the tunnel itself but for the necessary transport infrastructure on either side of the Channel?

Mr O'Kennedy. — I agree with the first part of what the honourable Member said. Obviously this must be seen in the context of a transport infrastructure policy and programme. I indicated so as to be quite precise that this is being examined by the Commission on the basis of a resolution on this very subject recently adopted by Parliament. I think I would prefer, and I think Parliament would do better at this point, to wait until the Commission has concluded that study and hear the outcome of it.

President. — Question No 7 by Mrs Clwyd (H-453/81):

Would the Commission agree that its plan to stockpile 2 million tonnes of sugar will create yet another controversial food 'mountain'; that at best the plan is a palliative, that in the long run it will prove self-defeating and that it will add yet another commodity to the indispensable list of unsold and often unsaleable stocks of produce supported by the CAP?

Mr Pisani, Member of the Commission. — (*FR*) Sugar stocks are not intervention stocks and are not public property. Under the new arrangements the entire cost is borne by the producers within the framework of a professional organization, with the exception of the 1 300 000 tonnes corresponding to ACP imports.

The Commission's decision to reduce the 1981-1982 export quota by 600 thousand tonnes and the voluntary restriction imposed by producers on exports of category C sugar, i.e. sugar carrying the lowest price, are based on considerations of sound management in the interests of the suppliers of sugar to the world markets. They take account of fluctuations in these markets and enable the world market prices to be stabilized, not only for the benefit of Community producers, but also for that of producers in the developing countries who sell their sugar to the

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Community. Moreover, storage of a given quantity of type C sugar is a useful economic incentive for the producers and, that being so, they will be encouraged to plant less next year than they would have done if it had been easier to dispose of stocks.

The Honourable Member is wrong when he speaks of unsold and frequently unsaleable stocks of products supported by the common agricultural policy. In the case of sugar, as I stated at the beginning of my intervention, stocks are very low and in fact seasonal in nature: they enable the monthly difference to be absorbed between supplies to commercial shops and arrivals of sugar from the refineries.

I should like to take this opportunity to say that although the sugar market organization system raises serious problems in regard to relations between the Community and the developing countries, it can nevertheless be considered a rather exemplary market organization.

Mrs Clwyd. — I would first of all point out to the Commission that there is a printing error in the question, and the question as tabled before you does not make sense. Instead of 'indispensable' it should read 'indefensible list'.

Our experience shows that this sort of mountain, whatever the Commissioner says, simply does not go away. Would he not agree that we are once again caught up in the lack of logic of the agricultural policy? You pay producers to raise outputs, Commissioner, and at the end of the day you are forced either to stockpile it or to dump it.

Mr Pisani. — (FR) Apart from the 1 300 000 tonnes of ACP sugar, the sugar market organization system in the European Community is such that in successive A, B, and C quotas, surplus quantities which find no buyers on the European market are sold on the world market at the cost of the profession.

The question which arises is whether the A quota i.e. the quota consumed on European territory, does not benefit from an excessively high guaranteed price which would enable exports to be effected on the world market at the world price; but it must be said that, apart from the 1 300 000 tonnes of ACP sugar, the Community budget is not charged to the sugar market, except for certain strictly marginal reserves.

Mr Lomas. — Could the Commissioner give a clear, specific guarantee that whatever the size of surplus stocks of sugar at any given moment the quotas for imports of cane sugar from the Third World countries which are so dependent upon exporting to the EEC will be maintained at their current level?

Mr Pisani. — (FR) The possibility of fixing a quota on ACP sugar below the 1 300 000 tonnes stipulated in the conventions has not been envisaged for one moment. I have never heard of any infringement of that undertaking, which we respect, since it is a condition for the economic equilibrium of a number of countries, particularly in the Caribbean and Pacific, which are linked to Europe through the Lomé Convention.

Mrs Kellett-Bowman. — Will the Commissioner make it quite clear that it is misleading to refer to food mountains when stocks of most Community products are down to the reasonably low levels required by mere prudence against possible emergencies and in many cases they are down to merely a few days' supply?

President. — I do not think that was a question.

Mrs Kellett-Bowman. — I asked him to make it clear!

(Applause from the European Democratic Group)

Mr Pisani. — (FR) A mountain is not a unit of measurement. Moreover the height of mountains is obviously a purely relative concept. When we travel by air to this seat of the European Community the mountains look small. I shall not expand on this terminological aspect.

I maintain quite clearly that the sugar system in its present form actually works, that sugar is being properly exported on the world market and that the storage of 600 000 tonnes has enabled a collapse of world prices to be prevented and has also alerted producers to plant less than they would have done next year had there not been this surplus. We thus have a system which, thanks to the existence of the stockpile, should prove self-regulatory from year to year without the risk of sudden fluctuations since, if the quota rises out of all proportion in relation to A or B sugar, the average price paid to the producer for their sugar would be reduced by an equivalent amount.

We thus have a system which gives access to the world market at world market prices while alerting producers and avoiding the temptation for them to produce quantities exceeding reasonable limits.

Mr Fanton. — (FR) I am not going to speak of mountains. Can the Commissioner confirm to the Assembly that sugar has not been a burden on the European Community budget but in fact a benefit? Can he tell the author of this question how much money sugar exports have earned for the Community?

Fanton

I want also to put a supplementary question: in view of what you said about the organization of the sugar market, I should like to know why the Commission is still obstinately seeking association with the World Sugar Agreement which is in any case to expire shortly — and why it is so keen on joining that agreement when there is no need to do so?

Mr Pisani. — (FR) On the second point, the Council of Ministers discussed the matter three weeks ago and did not decide on accession to the World Sugar Agreement but agreed to take part in the initial discussions on the renewal of that agreement without any form of undertaking that the Community would subsequently accede to it.

The World Sugar Agreement is to expire at the end of 1982 and all the relevant negotiations will take place in 1982. In the preparatory phase of those negotiations the Commission was authorized to take part in certain contacts but it has not been authorized to negotiate and must report back before doing so.

As to the first point, Mr Fanton, you have asked me a question to which I cannot give a numerical answer; however, it is true that in terms of the balance of trade and the general balance of our external transactions, sugar is by no means a negligible quantity since it enables the Community to export this agricultural product at no cost to itself; that needed to be stressed because it is not the case for many other agricultural products.

Mr Galland. — (FR) As Mr Fanton has just said, sugar earns money for the Community. That being so, might it be possible that the author of this question and a number of other speakers have been mistaken in their interpretation of the sugar problem in the context of the CAP? Is that your opinion, Commissioner?

Mr Pisani. — (FR) We all make mistakes but it is quite clear that the question asked, despite the correction made to it by the author, is not based on an objective overall analysis of the sugar market situation and the equilibrium of the European sugar market.

The reality of the sugar market is quite different from the situation suggested by the questioner.

Mr Clinton. — In the course of replying, Mr Pisani told the House that the cost of this stockpiling would be borne 100 % by the producers. I would like to ask him how this is going to be charged to the producers. Is it going to be taken from the existing very substantial levies that have been imposed on sugar production in the Community, or is it to be an additional charge?

Mr Pisani. — (FR) We are confronted here with a professional organization which receives only two elements from the Community: a guaranteed internal price and the possibility of organizing itself in such a way that, through the equilibrium between the quantities consumed in the Community at guaranteed prices and the quantities of sugar exported, a balance can be struck in such a way that sugar is exported at world prices and that the costs are distributed within the professional organization.

The Community is not involved in the regulation of quotas within the profession; those operations are directed by the profession itself based on the situation in the sugar refineries. Within the refineries which receive A, B and C quotas, equilibrium is established between quantities reaching the domestic market and external market.

The only interventions by the Community relate to sugar from the ACP countries under existing agreements and to the seasonal financing of intermediate stocks.

Mrs Poirier. — (FR) I shall take this opportunity to ask whether the Commission has resolved to increase the price of sugar by 8.5 % as requested by the ACP countries, instead of the 7.5 % proposed up to now which is tantamount to discrimination.

Mr Pisani. — (FR) The problem is this: under the Lomé Convention the Community has to negotiate with the sugar-producing ACP states an annual rate of increase in the price of sugar to take account of cyclical conditions.

This year the EEC had proposed a 7.5 % increase in the price of brown sugar as against last year and of 8.5 % in the price of white sugar.

The fact is — and this is not a result of chance circumstance — that almost all ACP sugar is unrefined brown sugar while all Community sugar leaves the factory in the refined white state. The conclusion has been drawn from this that the Community was guaranteeing its own producers a rate of increase of 8.5 % while only according 7.5 % to the ACP producers.

The proposal made to the ACP countries was refused once, after which we engaged in a number of procedures; the proposal was then rejected a second and third time. Finally, at a meeting on Saturday, the Commission agreed to propose to the Council an alignment of the price increase for brown sugar on the price increase for white sugar i.e. if the Commission's proposal is taken up the 8.5 % increase will be granted for both ACP and Community sugar.

President. — As the author of the question is not present, Question No 8 will be answered in writing.¹

Question No 9 by Mr von Wogau (H-303/81):

Is the Commission aware that visitors to France have to pay heavy fines if they fail to declare foreign currency, although they are given no indication currency must be declared at the border? Can the Commission confirm that customs officers are not really equipped to cope with currency declarations and that, when currency is declared, there are correspondingly long delays at the border? Does the Commission agree, furthermore, that the application of these currency regulations infringes both the letter and the spirit of the Rome Treaties?

Mr O'Kennedy, Member of the Commission. — Non-residents are free to import both foreign currency and French franc banknotes into France and are not required by French law to make any declaration to the customs authorities. Non-residents who wish to protect their right to re-export foreign currency notes above 5 000 French francs in value must, however, declare foreign banknotes to the customs authorities on entry. The importation and exportation of French franc banknotes are allowed up to a maximum of 5 000 French francs.

The Commission has no knowledge of the facts referred to by the honourable Member concerning difficulties encountered by non-resident travellers or of the way in which the customs authorities apply the existing exchange control rules. The movement of capital has not been liberalized to the same extent in all Member States. Some states have gone further than they are required to do under Community law by liberalizing the movement of capital in cases where such liberalization is optional. In countries such as France, which still impose restrictions on capital transactions, certain controls have been maintained, as provided for under Community law, in order to prevent unauthorized movement of capital under cover of fictitious transactions. The formality of the declaration on entry was adopted in France in this context.

Mr von Wogau. — (DE) Do you not feel, Commissioner, that our citizens find it hard to understand why their attention is not clearly drawn, on entry into a country, to the fact that they may experience real difficulty when they come to re-export their money? You said that the Commission was not aware of these things. I can tell you that when I entered one of our Member States I attempted to declare the money which I was carrying but the customs office was not

prepared for this and it took about an hour to find the proper form. That being so, is it reasonable for heavy penalties to be imposed when currency is re-exported if these forms have not been filled in?

Mr O'Kennedy. — As I said, some countries have actually gone further than is required under Community law. None the less a balance must be struck between liberalization and unauthorized movement of capital. Now it is obviously of primary importance that whatever regulations there are should comply with Community law, and it has to be said that the regulations which apply in France do, in fact, comply with Community law. As to the inconvenience which they may cause for travellers, it is obviously a matter for the national authorities to ensure that the regulations, which are in compliance with Community law, are implemented without inconvenience and probably with maximum notice to all travellers.

Mr Herman. — (FR) Can the Commissioner say whether he intends to make representations to the French authorities or French Government to ensure that the exchange control regulations which restrict freedom of movement are eased?

Let me give the following example: someone who travels from Brussels to Geneva with Swiss Francs in his pocket, which is perfectly correct, and who passes through France, may incur a severe penalty if he fails to declare his currency — but he is not asked to declare it. Does the Commissioner not agree that this rule, if not contrary to the Treaty provisions, is at least an encroachment on freedom of movement?

Mr O'Kennedy. — As I said initially, the Commission is not aware of any of the problems that have been referred to in the question and now in the supplementary. I am quite sure that the French Government, as has been our experience with other national authorities, would be very anxious to ensure that their regulations are effective and do not cause inconvenience for people coming in and out of France. The occasion may arise, as a consequence of this question, for informal discussions with the French Government, but at this point let me say clearly that the Commission has no knowledge of any such problems.

Mr Purvis. — The Commissioner refers to rules allowing the restriction of movements of capital. Surely these must just be temporary rules in that the Treaty and even the mandate document refers to the aim of achieving freedom of movement of capital and other money. When is the Commission going to bite the bullet on this issue and really move towards freedom of movement of money and capital within the European Community?

¹ See Annex of 18. 11. 81

Mr O'Kennedy. — As I said, while one might commend the liberalized position taken up by other Member States, the fact is that under existing Community law the position being applied in France, and in other countries of the Community as well, does accord with the obligations. As I have mentioned, a balance must be struck — and this, I think, is an important element to be taken into account both by the national administrations and by the European Community — between liberalization and unauthorized movement of capital. In any event, however, in that context, as in many other areas in the development of Europe, a number of which we will be discussing tomorrow, one cannot make dramatic progress at one stroke. One obviously has to try sometimes to, as one says, 'inch forward' on a harmonious and effective basis.

President. — Question No 10 by Miss Quin (H-312/81):

Which Member States have now forwarded to the Commission their reports on the situation in their countries regarding the measures governing the disposal of toxic and dangerous waste?

Mr Narjes, Member of the Commission. — (DE) Article 16 of Directive No 78/319 of 20 March 1978 on dangerous and toxic waste requires the Member States to submit a report to the Commission every three years on the disposal of toxic and dangerous waste on their own territory.

The first report is due this year. As a precautionary measure the Commission has asked the governments of the Member States to submit their reports under Article 16 of the directive by the end of December. It has also notified to them a document which is intended to serve as a guideline for the competent authorities in the Member States in compiling their reports, the aim being to ensure that the reports are unified and contain comparable data. On the basis of the national reports, the Commission will then submit a summary report to the European Parliament and the Council on the disposal of toxic and dangerous waste in the Community and on the application of Directive 78/319 of 20 March 1978.

Miss Quin. — While I am glad that the Commission says that it will prepare a comprehensive report on this subject, I do not feel that my question about which countries have submitted reports has actually been answered. Perhaps the Commission could answer it now. Can it also confirm that the deadline for the receipt of such reports is the end of this year? If so, what action will it envisage if the reports are not received by that date? I ask this particularly in view of the concern felt in those areas of the EEC where storage facilities for toxic waste exist.

Mr Narjes. — (DE) As the honourable Member rightly stated, the reporting period expires on 31 December. Since we have not yet reached that date I did not think it appropriate to indicate now which countries may or may not complete their reports by then. Should a Member State fail to meet its obligation we shall naturally see to it that action is taken under the Treaty provisions to enforce the requirement.

Mr Seligman. — Does the Commissioner not agree that there is a limit to the interference needed from the Commission in the local affairs of Member States? Is he not aware that in Britain we have a perfectly satisfactory private-enterprise system for dealing with toxic wastes by chemical neutralization and by incineration? We do not want more laws about it.

Mr Narjes. — (DE) I am well aware of the honourable Member's concern. The Commission is doing no more than applying legal rules to which all the Member States have given their agreement.

Mr Eisma. — (NL) The Commissioner referred to a guideline document for the compilation of reports by the Member States. Will that guideline and the reports which are shortly to be submitted also show clearly which toxic waste and in what quantities has been transported from one country to another within the Community?

Mr Narjes. — (DE) If I have understood the questioner rightly, his question relates to waste transported across the frontiers of the individual Member States. The Commission in fact hopes to obtain from the reports requested by it information on whether, and if so how, it must prepare a new proposal for a directive containing the provisions requested by the Honourable Member.

President. — Question No 11 by Sir Fred Warner (H-527/81-ex 0-22/81):

Can the Commission confirm to Parliament that the agents of the Italian government are awarding housing and equipment contracts for the reconstruction of towns and villages damaged in the recent earthquake on an equitable basis, without discriminating against companies from other Member States?

Mr Narjes, Member of the Commission. — (DE) The reconstruction of the residential units and infrastructures destroyed or damaged in the latest earthquakes in southern Italy is taking place in the context of the special programme which for the city of Naples alone covers 13 578 residential units and other buildings. This programme is being implemented on the basis of Law No 219 of 14 May 1981 with the financial support of the European Community. The Commission has

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found that — contrary to the assurances given at the preparatory stage by the Italian Government representatives — this law contains certain provisions to include contracts awarded on a basis of non-conformity with the provisions of Directive 71/305 on the award of public works contracts.

On 18 June the Mayor of Naples published in the Italian press alone a call for tender which conflicted in several respects with the provisions of the above-mentioned directive. The Commission made immediate representations to the Italian authorities. Should the matter not be settled in accordance with Community requirements, formal proceedings will shortly be opened against Italy under Article 169 of the EEC Treaty.

Sir Fred Warner. — While thanking the Commissioner for those assurances and while not suggesting that there are necessarily any irregularities, may I ask whether the Commission is aware that a number of foreign tenderers are dismayed by the difficulties which they experience in getting proper information on what is going on, the difficulties they experience in getting any replies to their communications, and the difficulties they are experiencing in getting any contracts at all?

Mr Narjes. — (DE) The Commission is aware of the difficulties to which the honourable Member has just referred. Perhaps, however, it does not have information on all the difficulties listed by him and would therefore welcome the submission of further information.

President. — As the author of the question is not present Question No 12 will be answered in writing.¹

Question No 13 by Mr de Ferranti (H-398/81):

Could the Commission estimate the likely savings to Community consumers resulting from the improvement in transport and trading efficiencies which would be achieved by harmonization in the fiscal, economic and monetary fields necessary to eliminate continuing unpredictable interruptions to the movement of goods and vehicles caused by frontier formalities, and if not, would the Commission organize or undertake a suitable assessment of this very important factor?

Mr Narjes, Member of the Commission. — (DE) In view of the varying clearance conditions for road haulage transport attributable to waiting times at frontiers, the Commission can only indicate average values for the costs incurred. On the basis of a study recently conducted by a group of transport experts at the Commission, the cost arising from the waiting time of

a truck at the frontier on an intra-Community highway route is estimated at an average of 22.7 EUA per hour. Assuming an average waiting time of 80 minutes at the frontier and an estimated 31 million frontier crossings in intra-Community road haulage, we arrive at an estimated cost for 1977 of 915 million EUA. The Commission concentrated initially on a study of this calculable instance. It realizes, however, that the calculation disregards a number of other costs, e.g. the bureaucratic costs arising from the existence of frontiers. This study has tended to strengthen its conviction that the overall charge of plus or minus 5% attributable to the existence of frontiers still remains roughly identical to the earlier figure.

Mr de Ferranti. — In view of what the Commissioner has said, would he be prepared now to confirm the figure that he gave himself and which was quoted in the press, that the probable cost at the frontier was around 5%? This means that the total cost is around 5 billion ECU a year, of which this 1 billion ECU is, of course, an important part. And if he can confirm that staggering figure, would he be prepared, in view of its size, to undertake an advertising campaign to inform the public of Europe of the phenomenal cost of the lack of decisions taken by their Ministers in the Council of Ministers?

Mr Narjes. — (DE) I am perfectly willing to confirm my conviction that 5% is a correct estimate of the costs arising from the existence of frontiers. My only minor reservation relates to the initial figure chosen by the Member to arrive at his total of 8 thousand million EUA; we would have to determine separately whether this corresponds to the true facts.

As regards the possibility and need to inform the public, I particularly welcome any relevant indications and practical support. The mere fact that the European Parliament is discussing these figures and their implications so clearly today is, to my mind, the best way of helping to put the situation right.

Mr Sherlock. — I would like to return the Commissioner's attention, if he would be so kind, to Document 1-598/81, which we discussed not so long ago, and remind him of the costs not only in units of account but in time and patience and the tedium suffered by coach passengers while the tanks of visiting coaches are dipped to measure the small quantities of fuel. If there is any Community country still whose economic salvation rests upon the collection of these amounts, would the Commissioner be prepared to draw our attention to them immediately so that we can have a collection in the House to assist them with their finances?

Mr Narjes. — (DE) I agree with the honourable Member so wholeheartedly that I am having difficulty

¹ See Annex of 18. 11. 1981.

Narjes

in finding suitable words to describe the indignation we both feel. I really cannot disagree with him on any point. However, I think that if our calculation of the costs is to be economically accurate, it must be clearly understood that the delays are of course included as labour costs in my estimates. For coaches, these relate to the labour costs for the driver and the relevant proportion of the running costs for the coach. It is all indescribably troublesome.

Mr Moreland. — Does the Commissioner not believe, from the answers that he has given us so far on costs, that the time has now come for a real war on border bureaucracy? We have been going on far too long with step-by-step measures and the time has certainly come in the field of road haulage, where there are still unnecessary roadhaulage permit restrictions, so that the Commission must really get down to this as a matter of priority.

Mr Narjes. — (DE) I share the questioner's view that there are grievances here which require a global approach. But I would recall that from the very beginning, with President Thorn's first speech in the House, then with the document on the state of the domestic market submitted to the Luxembourg summit in June, and the draft resolution which has now been brought before the Council of Ministers for the London summit, the Commission has left no stone unturned in its efforts to draw the attention of Europe's top political authorities (i.e. the Council) to this intolerable situation by means of a political review of the whole 'border' problem. It clearly pointed out that the continued existence of the borders, and indeed the regular addition of new borders created by administrative measures, has already succeeded in shaking the Community's confidence in the existence of a domestic market and in its integration.

The Commission therefore pointed out to the Council that it should give first priority to the urgent need for confidence-building steps i.e. concrete, definite decisions implemented according to schedule, to ensure that confidence in the domestic market is restored. Nothing could be more conducive to restoring confidence than a package of concrete decisions at the next summit in London in two weeks time.

(Applause)

Mr Eisma. — (NL) Could the Commissioner tell me in this connection whether it is true that border controls had been stepped up following the recent revaluation of the Dutch guilder and Deutsch Mark? If so, what measures can the Commission consider to put an end to this unfortunate trend?

Mr Narjes. — (DE) I do not exactly know what the Member is referring to by the 'tightened controls' he

mentions in his question. I know of only one case: a Member State is at present considering a law, which may already have reached the legislative authorities, which will subject anyone from this Member State entering it in a coach from another Member State to an extra charge of 50 krone. This is the only case I am aware of, and it is already causing the Commission a great deal of concern.

President. — Question No 14 by Mr Purvis (H-399/81):

When does the Commission anticipate that it will be able to introduce a reference price system for salmon and trout and does the Commission intend to vary existing tariffs on imports of salmon from non-Member States?

Mr Narjes, Member of the Commission. — (DE) At its meeting of 29 September, the Council adopted a proposal for reforming the market organization for fish products, including a regulation on compensatory payments for wild salmon.

Article 22 of the new market regulation also provides for the possible establishment of a reference price for trout.

The Commission will give an opinion on the introduction date for the compensatory payments and the reference price once its detailed examination of these questions is complete. At present, the Commission does not intend to propose any change in the customs duties on imported salmon.

Mr Purvis. — Mr Commissioner, I am disappointed that you still refer to wild salmon. In view of the importance of the salmon fish-farming industry in various remote and difficult parts of the Community, a new and fast-growing industry in Scotland, Ireland and France, have you made any estimate of the effect on that industry that unrestricted imports and no compensatory payments of any sort could have, and why are you penalizing this industry in this way?

Mr Narjes. — (DE) The Commission does not intend to penalize this new industry, and it is aware that other regions of the Community are debating the commercial viability of fish-farming. As I said, the Commission is still considering when to introduce compensatory payments and reference prices, which would mean a certain amount of protection. Of course, with any changes to the customs duties, the trade aspect must be taken into account.

Mrs Ewing. — As it appears from the Commissioner's answer that trout is to be protected more than salmon and lobster and as we know North America is not

Ewing

interested or worried about trout but they are distinctly worried about salmon and lobster, is it not logical, therefore, for the people in the industries that Mr Purvis has described in remote parts to conclude that the Commission has been pressurized by North America? And if that is so, is it not a very disgraceful thing that the commercial convenience of North America should be put before the vital interests of people, particularly those in remote areas of the Community, in an industry which is a good example of selfhelp and where there are very few alternative jobs?

Mr Narjes. — (DE) I can only say that the Commission is still examining the matter and will include any suggestions from this Question Time in its deliberations.

Mr Kirk. — (DA) Can the Commission tell us whether it intends to make it possible for fish farmers in the Community who breed salmon and sea-trout to form producer organizations, possibly with help from the Community, to shield them from the effects of the sharp fluctuations in price which can occur in this as in other sectors?

Mr Narjes. — (DE) The Commission will, of course, first have to assume that the response to Section 3, providing it is favourable, will provide a certain amount of protection. Whether further support is possible will be decided by the general guidelines of the reforms adopted on 29 September, which have yet to be laid down in detail.

Mr Calvez. — (FR) Commissioner, some people have waited long enough. You know that there are numerous salmon-farming specialists creating jobs on the coasts of Brittany and hoping, quite understandably, for a satisfactory return. You have told us that the Commission does not intend to change the import duties on salmon, but does it intend to help salmon-farmers, and if so, in what way?

Mr Narjes. — (DE) The Commission has so far only intended to provide additional investment for the setting up of fish farms; anything further has yet to be decided. I would point out once again that the regulation as a whole dates from only 29 September and as such is still in its early stages.

President. — Question No 15 by Mrs Ewing (H-407/81):

To what extent did the UN Conference on the least-developed countries, held in Paris from 1-14 September 1981, adopt the Commission's proposals for the New Programme of Action contained in Commission document COM (81) 319 final; what aid are the Community

as such and the East European States, respectively, to give to these countries and are the 22 ACP States among the least-developed countries satisfied with the conclusions of the Conference?

Mr Pisani, Member of the Commission. — (FR) The new and substantial programme of action approved by the Paris Conference in September is a direct consequence of the concern expressed by the Commission, in that it aims to give the least-developed countries a guaranteed minimum amount of national aid by giving priority to farming and food programmes. That is to say, the Community — Council and Commission — played a vital role in the outcome of the conference, which was welcomed by those taking part. The Tanzanian representative, speaking on behalf of the least-developed countries, announced that he was satisfied with the results.

There is a second part to Mrs Ewing's question, concerning the division of responsibility between the developed nations for coping with the development of the least-developed countries, and she refers in particular to the countries of Eastern Europe. In this context I should like to point out that the Community — Community and Member States together — contributes 56.9% of the total national development aid; the Community alone contributes 57% of the world's development aid. The OPEC countries contribute around 13%, while Eastern Europe contributes only 0.9% of the total, or 3/10 000 of its GNP. In fact, one of the imbalances in the development aid given by the developed countries to the least-developed stems from the fact that certain countries do not use their contribution to promote development. It was one of the Paris Conference's achievements that many countries undertook to set aside 0.15% of their GNP for the least-developed countries. If all the developed countries succeeded in doing this in 1985, it would mean that national development aid would have doubled by then — no mean achievement, although it is to be hoped that efforts will not stop there.

Mrs Ewing. — May I thank the Commissioner very much for his very full statement. As it is quite clear that the EEC is a good neighbour compared to the Eastern European countries and the rest of the world — though I suppose it would be true to say the least-developed countries never feel we do enough — could we not use the factual position of the good quality of the EEC to impress upon our Lomé neighbours that where fishing is concerned they are being exploited by Eastern European countries who are taking the food from their coasts and not developing the coastal states. Could I urge that the Commissioner looks at the whole question of developing the fishing round the Lomé countries to see if we could do a bit more because this may be the key to solving the starvation problems that many of them face?

Mr Pisani. — (*FR*) Mrs Ewing has doubtless returned to the subject of fisheries so as not to leave us with the impression we had just now. Her question is, in fact, twofold. Yes, an effort should indeed be made, and a very considerable one, to make better use of the seas' food resources, not only by legislation to encourage fishing, but also by the development of fish farming in particularly suitable waters, including lakes. When we consider, for example, that the lakes in Africa, among the largest in the world, cannot be regarded as substantial food reserves, and that the Aswan Dam, which is one of the greatest man-made reservoirs and could accommodate large-scale fish farming, is practically unused for this purpose, we cannot fail to share Mrs Ewing's sentiments. We, the Community, shall try to use intervention programmes, and in particular the European Development Fund, to develop fishing and fish farming, since they represent a vital element in stabilizing food supplies in the future.

I should like some day to say more about the behaviour of the Eastern European countries towards development, but I shall have the opportunity to do so at the forthcoming debate in a few weeks time. No matter what arguments they use to justify their position, these countries are on shaky ground. Their attitude is fundamentally unacceptable, for it refuses to acknowledge that any country which has reached a certain degree of development should feel solidarity with the poorest countries and give them material help along the road to prosperity.

Mr Marshall. — Did the Commission point out at this conference that the best engine of economic progress is capitalism and that those under-developed countries who have prospered are those who welcome a social market economy and welcome the positive role that multinational companies can play in developing under-developed countries?

Mr Pisani. — (*FR*) I fear that the honourable Member is confusing the views of the Community, which has never made any such assertion, with the document produced by the World Bank on the southern Sahara, which illustrates in great detail how the market economy countries have made more real progress than the others.

There are two ways of dealing with this problem: ideologically, which I reject, and more pragmatically, which I shall consider for a moment.

I think that the market machinery has enabled a number of countries with either natural advantages or the benefits of a cultural heritage, to make positive progress in development: we think of the Ivory Coast without always wondering what problems it will face

tomorrow; we think of Nigeria without considering how much, in spite of everything, it has profited from its oil resources.

But as the Commission is realizing over and over again, and as it stresses in its document on world hunger, there are some countries, particularly the least-developed, which the market economy alone cannot bring through the vital first stages of development when they face poverty as extreme as in some of our partners. Forcing them into the market would merely add to their burden. The aim of national development aid is not to destroy the market economy, but to help launch an economy which would be impossible in the market. It should be the interaction of national development aid — particularly in the poorest countries — and the market economy which promotes development in the Third World countries.

Mr Seligman. — The Commissioner gave some interesting figures: he said that OPEC provided 13% of the aid and that the Community provided 57% of the aid. OPEC has a surplus of a hundred billion dollars and we have a deficit of 40 billion dollars in our trade. Would he not develop closer relationships with the OPEC countries, travel to Saudi Arabia if you like, in order to enlist their help for greater aid, particularly to finance energy for the Third World?

Mr Pisani. — (*FR*) The figures are 56.9% for the EEC and 16.7 or 16.8% for OPEC, and refer only to national development aid, i.e. a tax on the GDP of the developed countries, made available as direct aid.

But this is not the only form intervention can take — loans represent a form of voluntary external intervention. They are a vital element particularly with regard to investments, and in this context the OPEC countries play a major role, thanks mainly to what are known as the Arab Funds. I must point out to Mr Seligman that I shall be having the opportunity next week to meet the leading figures in energy from these countries, notably from the fields of oil and banking, and I am to meet them again in January for discussions on how to coordinate our intervention programmes with theirs, and how to make even more bank loans from the oil states available as development aid for the poorest countries

President. — The first part of Question Time is closed.^{1,2}

(The sitting was closed at 8.10 p.m.)

¹ See Annex of 18. 11. 1981.

² For agenda of next sitting see Minutes.

ANNEX

Commission action on opinions on its proposals delivered by the European Parliament at its October 1981 part-session

1. As agreed with the Bureau of Parliament, the Commission informs Members at the beginning of every part-session of the action it has taken on opinions delivered at the previous part-session in the context of parliamentary consultation.
2. At its October part-session the European Parliament delivered 18 opinions on Commission proposals in response to Council requests for consultation.
3. At the part-session 9 matters were discussed in connection with which Parliament delivered favourable opinions on or did not request formal amendment of the proposals mentioned below:

Report by Mr Deleau on the proposal concerning exceptional aid for the reconstruction of regions of Greece devastated by the earthquakes in February and March 1981 (COM (81) 451 final),

Report by Mr Seal on the proposal for the conclusion of the EEC-India agreement,

Report by Mr Woltjer on the proposal concerning the list of less-favoured agricultural areas in the Netherlands (COM (81) 194 final),

Report by Mr Provan on 2 proposals concerning the fishery agreement with Norway (COM (81) 436 final),

Proposal for a regulation amending Regulation (EEC) No 1360/78 on producer groups and associations thereof following the accession of Greece to the European Communities,

Proposal for a regulation amending Regulation (EEC) No 848/81 laying down certain measures for the conservation and management of fishery resources applicable to vessels flying the flag of certain non-member countries in the 200 nautical mile zone off the coast of the French department of Guyana,

Proposal for a regulation amending Regulation (EEC) No 1196/81 establishing a system of aid for bee-keeping in respect of the 1981/82, 1982/83 and 1983/84 marketing years,

Proposals for

- (i) a regulation amending Regulation (EEC) Nos 1508/76 and 1521/76 on imports of olive oil originating in Tunisia, Algeria and Morocco (1981/82),
- (ii) a regulation amending Regulation (EEC) No 1180/77 on imports into the Community of certain agricultural products originating in Turkey (1981/82)

Proposal for a regulation amending the Regulation concerning the management and supervision of certain catch quotas for 1981 allocated to vessels flying the flag of a Member State and fishing in directed fisheries as defined in the NAFO convention.

4. In 8 cases the European Parliament asked the Commission to alter its proposals under the second paragraph of Article 149 of the Treaty:

Report by Mr Zecchino on the proposal for a second directive on third party liability insurance for motor vehicles

An amended proposal taking account of the amendments accepted during the debate is under preparation.

Report by Mr Janssen van Raay on the proposal concerning inter-regional air services (COM (80) 624 final)

An amended proposal is under preparation.

Report by Mr v. Wogau on the proposal concerning proprietary medicinal products

An amended proposal is under preparation.

Report by Mr Gatto on the proposal concerning the restructuring of wine-growing

On 19 October 1981 the Council adopted a proposal amended in line with the parliamentary opinion.

Report by Mr Maher on the proposal concerning statistical surveys of sheep and goat herds (COM (81) 258 final)

In view of current progress at the Council, the Commission has already presented orally the proposed amendments adopted by Parliament.

Report by Mr Diana on the proposal concerning special measures for olive oil producers (COM (81) 364 final)

On 19 October 1981 the Council adopted a proposal amended in line with the parliamentary opinion.

Report by Mr Nyborg on 4 proposals concerning measuring instruments and methods

An amended proposal is under preparation.

Report by Mr Ripa di Meana on the proposal concerning the financing of railway undertakings

An amended proposal is under preparation.

The texts of the amended proposals will be sent to the Council and, for information purposes, to the European Parliament as soon as they have been adopted.

In the case of the report by Mr Deleau on the proposal concerning proprietary medicinal products, the European Parliament rejected the proposal. During the debate Mr Andriessen explained why the Commission felt it ought to maintain the proposal.

The Commission also expressed its views during discussions concerning it and took note of the European Parliament's opinions on the:

report by Mr Cousté on increasing political control over the European Communities' borrowing and lending activities,

report by Mr Caborn on the international activities of undertakings and funds,

report by Mr Collomb on the creation of a European market structure for securities,

report by Miss Hooper on a European health card,

report by Mr Sieglerschmidt on the Court of Justice's responsibility with regard to the uniform operation of Community law in the Member States,

resolution of the re-establishment of free competition in the European steel industry,

resolution on national aids for steel mills,

two resolutions on competition policy, national aids and non-tariff barriers,

resolution by Mr v. Wogau on the completion of the internal market,

report by Mr Albers on opportunities for energy-saving in the field of transport,

interim report by Mr Israel on the Olympic Games,

report by Mrs Castellina on the international code for the marketing of maternal milk substitutes,

report by Mr Irmer on the Financial Regulation to apply to the 5th EDF,

report by Mr Wettig on aspects of budgetary control over the European Social Fund,

resolution on the verification of Member's credentials,

resolution on the currency re-alignment agreed on 4 October 1981,

resolution on the necessary adjustment of farm prices,

resolution on social policy priorities,

resolution on the simplification of formalities at Brussels airport,

resolution on the question of controls of individuals,

resolution on the risk of importing a product harmful for consumption,

resolution on young Europeans held in Thai prisons,

report by Mr Arfé on a Community charter for regional languages and cultures and a charter of rights for ethnic minorities,

report by Mr Key on high-speed air freight.

7. The Commission took the opportunity to inform Parliament of emergency financial assistance that had been granted since the previous part-session. This included:

400 000 ECU for displaced communities in Angola,

500 000 ECU for the population of El Salvador,

200 000 ECU for Ethiopia for the transport of foodstuffs in the Tigre region,

60 000 ECU for Gambia for the purchase of medicaments.

SITTING OF TUESDAY, 17 NOVEMBER 1981

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IN THE CHAIR: MR JAQUET

Vice-President

(The sitting was opened at 9 a.m.)¹

1. *Decision on urgency*

President. — The next item is the decision on the request submitted by the Council for urgent debate on the proposal for a directive on battery hens (Doc. 1-452/81).

I call Mr Gautier.

Mr Gautier. — *(DE)* Mr President, ladies and gentlemen, I ask you to reject the Council's request that this subject be dealt with as a matter of urgency. There is undoubtedly an urgent need for laying hens to be freed from their somewhat strange situation, confined to 200 or 300 square centimetres.

However, I believe we must prepare this politically sensitive issue more thoroughly at committee level than would be possible if we granted the Council's request. As far as I know, we received the documents some three or four weeks ago. We of the Committee on Agriculture felt we should await the opinion of the Committee on the Environment, Public Health and Consumer Protection, which we received last week. The Committee on Agriculture must, in my view, have an opportunity to make a careful examination of this directive as regards both its economic aspects and the question of the protection of animals. I therefore call on you, ladies and gentlemen, to vote against the Council's request for urgency in this matter.

There is a second reason why the Council really cannot be in quite so much of a hurry: it provides for the directive to be progressively implemented up until 1995. Since we have another 15 years to implement the directive, surely we of Parliament can spare another month to discuss the matter thoroughly and then come to a decision.

(Parliament rejected the request for urgent debate)

2. *Economic situation in the Community*

President. — The next item is the report (Doc. 1-681/81) by Mr Delorozoy, on behalf of the Committee on Economic and Monetary Affairs, on the

proposal from the Commission to the Council (Doc. 1-668/81) concerning the adoption of the annual report on the economic situation in the Community and laying down the economic policy guidelines for 1982.

I call the rapporteur.

Mr Delorozoy, rapporteur. — *(FR)* Mr President, it is extremely difficult these days to draw up, in September, a report on the economic situation in the current year and at the same time to predict how the situation is going to develop in the coming year. Nevertheless this is what the Commission attempts to do in its annual reports. What such a report does do, however, is provide the basis on which, taking actual figures and the economic indicators into account, to adjust earlier forecasts and, using established data, to correct the estimates for the following year.

May I also point out that this work has an added significance in that it forms the basis of the annual report drawn up by the Council, after consulting Parliament and the Economic and Social Committee, which determines the guidelines to be followed by each Member State in its economic and social policy.

Studying the report, one is faced with the inescapable fact that consultations at Community level have once again failed to bring about an acceptable degree of convergence of policies to control inflation. The budgetary and monetary measures adopted by each Member State owe more to their own individual strategies, dictated by short-term domestic considerations, than to any real European consensus which would enable the Community more effectively to confront the changing international economic and monetary situation outside the Community and take up the challenge of stimulating investment and employment by grappling with the root causes of unemployment.

Not surprisingly, therefore, the report notes that the overall economic situation has continued to deteriorate, notwithstanding the brighter prospects held out at the beginning of 1981. As for 1982, the forecast is for a low growth rate of the gross domestic product, of the order of 2%. The rate of inflation will remain high, at around 10.5%, with sharp variations between the Member States, ranging from 4.5 to 23%. The employment situation will unfortunately grow worse, with the possibility of the number of jobless reaching 9.5 millions, or 8.5% of Europe's working population. If Europe, which is regarded as the world's largest trading bloc, is to survive and achieve a position of stability in the midst of the extraordinary changes that are sweeping the world, it is imperative that each Member State should reassert forcefully and with greater determination the need for a closely coordinated policy freely adopted by the Member States and based on the objectives set out repeatedly in the past and again in the Fifth Medium-Term Programme.

¹ *Approval of minutes — Documents — Withdrawal of a motion for a resolution — Topical and urgent debate: see the minutes of this sitting.*

Delorozoy

This policy should principally be based on a number of priorities which I should like to mention very briefly and without entering into any detail. Firstly, monetary stabilization, through a united attitude to the dollar, coordination of interest rates, better control of the money supply, extension of the European Monetary System to include all the countries of the Community and consolidation of the System by the establishment of a European Monetary Fund, reduction of inflation through stricter budgetary policies and a rapid decrease in the variations in budget deficits between the Member States. Secondly, a higher degree of convergence between prices and incomes policies, together with a reduction in the high growth in public expenditure, which over ten years has risen from 37 to 47%, increased competitiveness through greater emphasis on investment in projects relating to energy, the new technologies and industrial restructuring, which remains an essential and urgent priority if Europe is to avoid stagnation or, worse still, a more serious downturn in the medium term. Thirdly, an active commercial policy and the attainment of the internal market, resisting any attempt to repartition the Community by pursuing a more dynamic policy for the abolition of technical barriers to trade and for genuine freedom of capital movements.

Urgent measures must be taken to reduce inequality of treatment and discrimination from one Member State to another, having regard to both the structure and the rate of various taxes. To win back the internal market it is necessary to stimulate the creation of European industrial capacity in growth sectors and to adopt a coordinated strategy to combat the practices of dumping by certain third countries, being careful at the same time not to resort to the systematic introduction of protectionist quotas. Competition policy must provide for more vigorous cohesion in the implementation of restructuring plans for sectors experiencing difficulties and include machinery for monitoring State aid to uncompetitive sectors and aim to provide greater transparency in the financial relationships between undertakings, including the public sector, and the State.

Finally, an employment policy with measures of sufficient scope to deal with the scale and seriousness of the present situation, which is socially and economically unacceptable. The priorities I have just mentioned must evidently be taken into consideration when formulating such a policy, as together they constitute a whole. We must not think in terms of there being two priorities, one to control inflation and another to reduce unemployment, and of having to choose between the two. Clearly there can be no permanent solution to the problem of unemployment without a corresponding long-term revival of the economy. We need, in fact, to tackle the root causes of the unemployment problem, regardless of whatever direct and immediate measures it may be necessary to take in the interests of those seeking work. Whilst the Commission and the Council clearly recognize the

vital importance of controlling unemployment, the measures implemented by the Member States show no evidence of a coordinated political response to the problem. Improved distribution of working time and the development of vocational training for young people also have their undoubted value, but measures to stimulate the development of economic activity must remain the focal point of Community action to create new jobs.

I have attempted, in the limited time available to me for presenting this report by the Committee on Economic and Monetary Affairs, to stress the points I felt were the most important, over and above the information you will have been able to extract from the figures in the documents.

The economic and social situation being what it is, a special effort is called for on the part of all the Community institutions, both sides of industry, and on the part of every citizen of every country. We have to draw up short-term forecasts for 1982, and yet a variety of plausible theories may be put forward as regards the way in which the situation is likely to develop, which goes to show that, even in this modern world in which technology permits us to extrapolate figures and attitudes into the future, ultimately it is the will of the people alone that can change its course. The future of Europe, of the Member States and of their peoples thus depends to a great extent on the degree to which governments are prepared to commit themselves to a more coordinated and resolute policy of convergence and cooperation rather than pursuing increasingly divergent courses in the conduct of their economies. With a great deal of discipline, a little more realism and yet more determination, we should eventually achieve our objective.

President. — I call the committee responsible.

Mr Moreau, chairman of the Committee on Economic and Monetary Affairs. — (FR) Mr President, what strikes one most forcibly about the annual report on the economic situation in the Community is the extent to which the situation has deteriorated in the course of 1981, as Mr Delorozoy indicated. As he also pointed out, the prospects for 1982 are poor, with the likelihood of a worsening employment situation and a continuing high level of inflation. In other words, 1982 is going to be a difficult year for the people of the Community. Recent meetings at international level have brought home to us more clearly than ever that the Community has only itself and its ability to come to grips with its economy to count on in resisting both internal and external pressures.

I have elected to intervene in today's debate simply because within our committee, as indeed within Parliament itself and every Community institution, opinions are sharply divided on the question of which are the

Moreau

most urgent priorities. The Commission's most recently stated positions, and specifically those contained in the introduction to the Fifth Medium-Term Programme, as indeed those set out in the annual report, certainly take greater account of the variety of factors affecting the situation and offer a more balanced presentation of the priorities to be achieved.

That said, the Committee on Economic and Monetary Affairs was not able to agree on a text that it could support unanimously, the majority of members preferring to abstain. I should like, for my part, to say that it is vital at this juncture that the economic policy developed by the Community should be defined in such a way that control of unemployment and the creation of new jobs are always central to any action taken by the Community. I believe that the report in its present balanced form takes into account the need to preserve an essential balance whether it be in regard to inflation, or to competitiveness, or, as Mr Delorozoy suggested, in regard to the European Monetary System. We should also like to emphasize how important it is for the fight against unemployment always to be in the forefront of our minds, so that whatever measures we take to curb unemployment, encourage new investment and create new jobs will match the expectations and help allay the anxiety currently felt by a not insignificant proportion of the men and women in our Community.

If the intensive discussions that took place in our committee are anything to go by, our debate on this report is, I believe, going to be a difficult one. I am confident, however, that at the end of the day a majority of Members of this Parliament will come to acknowledge that, however differently economic problems and social problems may be perceived in our various countries, we all agree on the central objective, which is to strive towards a higher degree of convergence between our economies — and I do not mean a gratuitous convergence, if I may put it that way, but one that will enable the countries of Europe, the States, the Community to exercise still more effective control over their economies and be less susceptible to external pressures. And so that we can, in parallel with our aim of achieving closer convergence, also fulfil the wish, which must be in the hearts of every one of us here today, to see the figure of 9 million unemployed reduced during the coming year.

In our debate this afternoon on Mr Hopper's report on the 30 May mandate, and also during our discussions on the Fifth Report in a few months' time, a clear commitment will obviously have to emerge within Parliament to the need to set aside resources for investment and for the creation of these jobs, the necessity for which we recognize today.

May I say in conclusion, Mr President, that however animated our debates in committee may have been, there is on the part of every political group and every

Member of Parliament a determination to fulfil the anxious expectations of our peoples and to ensure that the debates that take place in this House may help in finding solutions which will secure for Europe a more constructive future and satisfy more fully the hopes and aspirations of the working men and women of Europe.

President. — I call the Socialist Group.

Mrs Desouches. — (*FR*) Mr President, I should like to make a preliminary observation on Mr Delorozoy's report concerning forecasts. It is true that forecasting is difficult, and precisely because it is difficult it is as well to exercise caution in the matter, as the Commission has done.

Now, to say — and I quote — that the rate of inflation will continue at the high level of 10·5% in 1982 is not the same as saying, as the report on the economic situation does, 'that the increase in consumer prices should slow down and stabilize at around 10·5%'. In my view the first statement shows a degree of circumspection, whereas the second is rather too rash and too precise about the situation next year.

The second point I should like to discuss concerns the 'repartition' of the Community. We are told that repartition of the Community ought to be resisted and that we must have a more vigorous convergence policy, and indeed I believe we must, but whilst the policies of the various countries need to be compatible, it must be accepted that they need not be strictly identical. Let us not forget that the economic situation is not the same in all the Member States, that the State's role in the economy is not always seen in exactly the same light and that there are consequently a number of differences.

In a time of economic crisis the Member States cannot entirely forgo intervention, given that — and I shall have occasion to come back to it — free market forces alone cannot restore certain balances, notably the restructuring of employment. One could say that free market forces tend, if anything, to lead to an increase in the number of job-seekers to a totally unacceptable degree. It would seem entirely natural for the Member States to intervene in ways that may not be strictly the same. Employment is primary and fundamental objective! One cannot repeat this too often. For a society to accept that some of its members should thus be excluded is an admission of failure.

Do I really have to state the obvious, namely that the economy of a country — I would even say that the economy of the world — should be structured in such a way as to enable people to live in the best possible conditions? Whatever my personal opinions on the matter may be, this is neither the time nor the place to conduct a theoretical dispute about the merits or

Desouches

demerits of monetarist policies. I would say instead, much more simply, that we currently find ourselves in a situation, and I believe we know this only too well, that does not fit any accepted norms, and therefore a situation in which 'imperative economic laws' no longer apply. That is why we believe that, without neglecting the fight against inflation, it is vital to take measures to stimulate the development of economic activity and at the same time try to resolve the problem of employment.

The report on the economic situation talks of the challenge of stimulating new investment and creating more employment. A challenge it may be, and why not? The report approves the steps taken by the Member States to encourage the creation of jobs on a small scale, to try to develop employment in the area of technological innovation within the energy sector. Similarly, the report of the Committee on Economic and Monetary Affairs stresses the need for measures to curb unemployment and create new jobs to be the focal point of Community action and hopes that practical measures will be taken together with measures seeking to bring about an improved distribution of working time involving its reduction without any excessive increase in costs. Where employment is concerned we cannot afford simply to pay lip-service to the problem, adding a few lines on the subject somewhere at the end of every report. Let us not deceive ourselves by imagining that just because we have succeeded in restoring the balance here or there this will automatically lead to an improvement in the employment situation. We must have a freely adopted policy, even if this involves certain risks.

President. — I call the Group of the European People's Party (Christian-Democratic Group).

Mr Herman. — (*FR*) Mr President, when one looks at the annual report of the Commission on the economic situation in the Community and at the Delorozoy report, one is inevitably struck by the contrast between, on the one hand, the pertinence and forcefulness of the analysis, and even of the diagnosis and the remedy, and, on the other, the weakness, the timidity, one might even say the paralysis of Community action. The Commission says as much and underlines it, and when it gives in its table the various rates of divergence between the economic trends in the various Member States it is indeed forced to concede that, the forecasts for 1982 apart, the disparities are getting greater.

There is, in fact, a total lack of convergence between the policies of the various Member States, and I would like at this point to reply to the point made by Mrs Desouches. When one speaks of convergent policies one does not mean identical policies. Every State has its own structures and traditions, and the role the State plays in its own economy varies from country to country, but the very least one should be able to

expect is that, given the same objectives, which are to reduce unemployment and inflation, they would be able to take measures which all followed the same line!

Unfortunately, such is not the case. There are those who believe in what I would call the Keynesian global theory of demand and there are others who rely on monetary policy. In practice, this results in measures that cancel each other out. When you have some countries which are deflating while others are inflating, the results are reduced to nothing, since we have a more or less common market in which purchasing power can move around from one country to another. If one country is pursuing a strict monetary policy and another relies instead on stimulating consumption, then clearly the objectives pursued by each are going to be inconsistent with each other because their measures cancel each other out and are mutually compensatory.

That is where we are calling for greater convergence: the means chosen by any country to achieve the same result should be more closely coordinated to prevent this loss of efficiency. We believe — and numerous examples bear this out — that in our situation the only way we can hope to expand our economy and thereby reduce unemployment is by placing greater emphasis both on investment and on exports.

Any other policy which relies on first of all stimulating domestic demand will not have the desired effect, because stimulating domestic economic activity by maintaining the level of welfare transfers and purchasing power has the disastrous consequence of increasing production costs, reduces our share of the world market, and, as a result, reduces the demand for investment.

It is only through a revival of the world market and a revival in exports that we can ever really hope to expand our economy and reduce unemployment.

Let us take a closer look at the examples I am quoting. If we take Japan, we find that its level of investment is almost double that of Europe. Its level of exports remains very high, its trade balance is in surplus and its costs are competitive. Here is an example which shows that the policy pursued by Japan is one which assures continuing employment and expansion without giving rise to excessive inflation.

And Japan is not the only one! If we look at a dozen or so other countries which are more or less in the same position: Taiwan, South Korea, many South-East Asian countries and a few European countries, but these are rare — I am thinking of Switzerland, it is less true now of Austria — what do these countries have in common? They have in common a high level of investment and a trade balance more or less in equilibrium, without excessive inflation. It seems to me that these examples are sufficiently telling for us to draw the right conclusions from them.

Herman

That, at any rate, is the lesson the Commission has drawn. The Member States should accept it too. The Commission does, of course, give advice to the various Member States, couched in fairly diplomatic language so as not to offend certain political susceptibilities, but it is perfectly plain that these recommendations are not being followed up with actions.

I am sure that if Mr Glinne were to speak after me in this debate he would express his anger at the idea of the Commission presuming to advise the Belgian Government on what it must do as regards stimulating its domestic economy, keeping costs down and about its policy on investment . . .

Mr Glinne. — (FR) You are absolutely right.

Mr Herman. — (FR) That is precisely where the problem lies. Such divergent political attitudes are hardly likely to produce effective results.

Returning to the Delorozoy report, I should like to say that on the whole we are in favour, but there is one point on which we must take issue — and I have tabled an amendment to that effect — and that is paragraph 18, which refers to the reduction in working hours.

We have discussed this problem on several occasions in this House. We are in favour of an improved distribution of working time. We do not believe it would be consistent with the spirit of the Commission's programme to press now for a reduction in working hours without dealing — for that is how it is interpreted today — with the question of incomes. If one wants to reduce working hours, one must accept a corresponding reduction in incomes, otherwise it would simply mean that labour costs would rise, which in turn would lead to greater emphasis being placed on other factors of production at the expense of the labour component and thus result in still more unemployment.

That is why we do not feel able to accept the proposed reduction in working hours in the way it is presented here today. As a cure for unemployment it can only serve its purpose to a very limited degree, as has been discussed and examined by this Parliament on several occasions, and moreover endorsed by several votes in other documents. We therefore hope that we can secure a majority in favour of correcting this point in the Delorozoy report, which in every other respect has our support.

President. — I call the European Democratic Group.

Mr Beazley. — Mr President, I should like to emphasize our support for the rapporteur and the

perceptive way in which he has analysed the problems of the Community's economic situation and the guidelines for 1982.

It is indeed a grim situation which he analyses, one of low growth, high inflation, unacceptably large balance-of-payment deficits and, consequently, an intolerable level of unemployment. No one could be called a pessimist if he were to believe that the 2% growth forecast in the Community's GDP for 1982 was probably unrealistically high. The seriously high level of unemployment is the human and social consequence of this situation, but to tackle the unemployment situation you have to remove the causes which give rise to it. There are no palliatives which can help reduce unemployment, because unemployment is the result of under-investment, high costs, low productivity, over-distribution and over-consumption. We can all now recognize that the fast-growth period of the 1960s and the early 1970s was an exception to the rule of normal growth. We had not in truth found the final answers to all economic problems. We were not on a Darwinian incline to the Victorian concept of economic perfection. No, we were benefiting from a period of fast technological improvement which reduced unit costs at an optimum level of production and improved productivity despite the escalation in salaries and wages and the undesirable level of over-manning which existed at the time. The technological advance was matched by a fast opening up of new markets and a great increase in world trade. Too quickly, these new gains were distributed in much-improved standards of living and social benefit and too little investment in infrastructure. The exception was taken as the norm.

Nevertheless, a great deal of improvement is always possible in times of fast growth, and the extent to which this may be overdone can easily be corrected in subsequent years, provided the situation does not get out of hand and the growth continues. Once, however, the recession reduces the volume of demand and plants have to work at low levels of capacity, then costs escalate and competitiveness is lost. Signs of the cracking of the market were very clearly visible in the late summer of 1971, when the Bretton Woods fixed-parity system came under terrific pressure, when the practice of floating currencies to try to establish a new balance got completely out of hand and when President Nixon had to discontinue the convertibility of the dollar and protect the US market with a special tariff. No wonder the worldwide oil cartel which forced the energy crisis of 1973 found it had an economic situation which was easy to exploit, particularly as the economic disequilibria were matched by political imbalances and military imbalances!

I remind the House of this piece of history because it is only by removing the causes of economic imbalance that you can correct the level of employment.

Beazley

Despite the very considerable degree of agreement between all parties and all countries about the analysis of our problem, there is no similar agreement about the way to achieve the solution. Thus, it was a great disappointment to the rapporteur and to the Committee on Economic and Monetary Affairs that the report was passed with only five votes in favour, 13 abstentions and no negative votes. The reason was the amendment made in committee to introduce a concept of work-sharing which was unacceptable to a large number of members. My group has sought to amend the report in this respect.

I must point out that there are serious inconsistencies between the translation of the text on this critical point of work-sharing in paragraphs 18 and 19, which leaves the concept even more confused. *Aménagement du temps de travail*, in paragraph 19, is quite incorrectly translated into English as 'reduction in working hours'. However, in the fourth subparagraph of paragraph 18 all texts do quite clearly speak of 'an improved distribution of working time involving its reduction without any excessive increase in costs'.

Now here is the nub of the problem. My group — and, I believe, some others of the Centre Right — do not believe that reductions in working hours can be achieved without increased costs. The social experiments carried out in France and Germany in the 1920s and 1930s prove this point. At best, the additional productivity achieved was of the order of ½%, whilst the greater numbers employed, particularly in these days of high social charges and taxes levied on all enterprises on the basis of the numbers employed, makes the argument even less tenable. In France, an election was recently won on the basis of increases in minimum wages, shorter working hours, improved social benefits and the nationalization of large parts of the private sector. We shall all be able to witness the results of this experiment with the economy of one of the most powerful of European nations. To me it does not look very good. The franc has already been devalued, before the costs have started coming in. No doubt a whole raft of counter-balancing State borrowing arrangements, special State aids, State financing and all the rest of these well-known measures will have to be employed to keep the situation under control.

The amended fourth subsection of paragraph 18 obviously does envisage increased costs: it just wants to avoid them becoming excessive. My group believes that this is a vain hope. The solution to our economic and social problems must be sought in the correction of their causes. This situation calls for energy conservation, reduction of dependence on imported oil, a fast increase in the production of nuclear electricity, lower production costs, improved competitiveness, greater investment in new high technology, the creation of a real common market and the removal of distortions to trade created by restrictive national self-interests, a much greater level of financial and economic coopera-

tion within the Community and between the Community and Western trading partners, cooperation on interest levels and an investment policy, a Community energy policy and the breaking of the oil cartel, with the consequent recirculation of petrodollars. It is in this direction that positive solutions will be found to our problems. I believe it will be a slow business, unless there is a greater will for convergence of the European economy and greater cooperation between the Community and the free economies of the West.

President. — I call the Communist and Allies Group.

Mr Leonardi. — (IT) Mr President, as opposed to what has been said by some of the preceding speakers, I feel that the most significant point is not the worsening of the current economic situation but rather the fact that we are increasingly unable to control our own development, which is ever more dependent upon external factors — more so, indeed, than in the case of any other industrialized nation — the US and Japan, in the first place, not to mention the countries with collectivist economies.

Mr Delorozoy's motion for a resolution is full of this dependence on external factors and of the uncontrollable nature of development: one has only to look at paragraph 2. Perhaps we are not yet fully aware of the fundamental nature of the present crisis, although this should be clear enough after the repeated and consistently pessimistic analyses made over the last few years. Above all, we must be aware of the need to relate our survey of the short-term economic situation to that of the long-term one, that is, to coordinate tactics with strategy. When phenomena repeat themselves with a certain regularity, they take on the value of laws. We must realize — precisely on the basis of our repeated annual studies — that we cannot simply attribute the crisis in our own countries to the general world crisis. The crisis in the Community countries differs profoundly from that occurring in other countries, and it is considerably more serious. Japan is in the full flower of development. The same can be said of a growing number of newly industrialized countries, and of some of the smaller European countries. The United States is passing through a crisis which is different from our own, which is the most serious of all. One has only to look at the low utilization level of our only true resource — the labour force. Our situation is worse than that existing in any other industrialized nation; our unemployment rate is higher than all of theirs.

We criticize Mr Delorozoy's resolution for an insufficient awareness of the tragedy in which we find ourselves; the impression we receive is that even if the situation today is serious — and the rapporteur does not conceal this — we will manage to get out of it sooner or later, without, however, facing the problem

Leonardi

of a radical change in our behaviour or of strategic choices — which obviously have an influence on the situation — and thus without, as I said before, giving due weight to the link between tactics and strategy, between short-term measures and the long-term options that can command the support of our peoples, even though they will mean sacrifices for all the social groups.

In our opinion, what is set forth in paragraph 8 of the resolution, that is, that inflation provokes a falling off of investments, is not true; the low level of investments — that is to say, the reduced ability to make commitments to the future, the lack of faith in this future — concentrates people's choices on the immediate, on any escape whatsoever, on current consumption. Inflation is predominantly due to these factors, even though it is obviously itself the result of a series of other phenomena.

As I have said, we believe that it is not inflation which causes the decrease in investments, but it is rather insufficient investment, insufficient confidence in the future, which causes inflation. This situation must be reversed; we must again learn to take risks, and to use our labour force to this end, for it is our sole resource. We will thus also become more independent of the rest of the world, and we will be more able to control our own destiny.

We are in a situation diametrically opposed to that of Japan, for example, where the rate of investment is one-third higher and the inflation rate half as large. I believe we should make an effort to learn from these annual studies, making full use of the valuable findings offered to Parliament by the Commission to an ever increasing degree, not presenting resolutions dealing with a wide variety of often contradictory themes but rather resolutions of a political nature which concentrate attention on one or two strategic points through a combination of contingent and structural interventions.

We will not succeed in changing the very serious situation existing today if the present tendency is not reversed and if considerably greater investments are not made, and this does not mean simply increasing the investment rate by two or three percentage points, but rather changing our financial, credit, and social security systems. We will not overcome this crisis if we are unable to reconvert our economic apparatus, adapting it to competition in the international context in which we live and for whose creation we are largely responsible, but which we will not be able to control, now or in the future, on the basis of our limited and outdated approach.

(Applause from the Communist Group)

President. — I call the group for the Technical Coordination and Defence of Independent Groups and Members.

Mr Bøgh. — *(DA)* Mr President, we have here three documents which all say more or less the same thing: the report of the Committee on Economic and Monetary Affairs, the Commission's annual report and its 5th medium-term economic development programme. The medicine prescribed is by and large the same in each case: monetarism, a policy in which both the USA and the United Kingdom have put their trust but which is showing signs of going disastrously wrong. Very briefly, this medicine consists in creating a society in which market prices determine everything and the gulf between rich and poor grows inevitably wider. There is no time for me to go into the alternatives, but I think it should be said here that the central aim in Danish policy over the last 40 years has been to lift our society out of the human degradation which dominates a society where the supremacy of market forces is regarded as the natural order of things. The form of society based on a distribution of wealth which we have been in process of building is a costly and democratic society which really has no parallel in history. We know the reforms which the European Community wants to force upon Danish society are not just a temporary suspension of our type of democratic society. The Community's monetarist crusade does not only mean a reversion to a society of master and servant; it also means the condemnation of all that has been achieved by popular forces, including the workers' movement, in this century. If Danish Social Democrats accept the Community's so-called strategy, it will no longer be possible to detect any difference between Social Democracy and the parties of the Right. We who oppose the European Community and represent a growing majority of Social-Democratic supporters in this field urge all concerned to recognize the serious threat which is implied by the development depicted in these three documents.

President. — I call the Liberal and Democratic Group.

Mr de Gucht. — *(NL)* Mr President, ladies and gentlemen, as is the custom I should like to begin by congratulating Mr Delorozoy on his report. Not only has he yet again proved his skill at writing economic reports: he has also succeeded in describing likely future developments in a responsible manner. What the economic situation in 1982 will be depends in fact on a number of controllable and above all many uncontrollable parameters. The forecasts are anything but hopeful. Average inflation is expected to be higher than 11%. It looks as if the number of unemployed will rise to about 10 million. For some years now the development of energy prices has been more difficult to predict than the weather. Another question concerns the impact and success the American monetary, budgetary and fiscal policies will have. After all, whether we like it or not, what we achieve depends on economic activities in America and Japan.

Apart from these factors, over which we have very little control, there are a number of elements for which

de Gucht

we are ourselves responsible. For example, the budget deficits of the Member States and the poor administration of public finances are largely to blame for the high interest rates. The screening of the capital market by the governments is making money extremely expensive. This partly explains the low level of investments. The fiscal and parafiscal pressure on undertakings and individuals is not only a source of constant frustration for those who want to work but also — and this is far more important — acts as a brake on productive investments and is one of the elements that cause inflation. The world's economic difficulties can therefore be only partly blamed by our Member States for these disastrous developments. It should be pointed out, for example, that Japan is likely to have an economic growth rate of 5% in 1982.

It is more than ever essential for the Member States' scarce financial resources to be put to optimal use. All or almost all economists, employers' and trade union leaders and national and European politicians agree that there must be investment in industries with a future. In the absence of risk-bearing capital, however, the European and national authorities cannot afford sick or doomed companies or sectors. The argument that employment must be maintained is, as past experience has shown, not very convincing. The rapporteur has rightly emphasized the need for a common commercial policy. If Europe's potential in human beings, technology and production capacities is to be put to optimal use, not only should our own market of 260 million consumers be processed, but attention must also be paid to other market sectors such as the United States, Japan, the Arab world and the developing countries.

Mr President, ladies and gentlemen, economic events are dictated by man and not vice versa. The scourge of youth unemployment is one of the most serious problems, and priority must be given to its solution. No society can afford to leave hundreds of thousands of young people without a job and so without a future. When we hear talk in the European Parliament about economic policy guidelines for 1982, priority should be given to the problem of unemployment among young people. Now more than ever the Member States of the European Community must realize that it is difficult, if not impossible, to find a solution to the transnational problems facing our society with a regional or national policy. But in difficult circumstances, where there is an urgent need for cooperation, convergence and harmonization, we find an increasing tendency towards national and protectionistic policies. The interdependence of the Community countries and of the economic blocs is too great for them to survive on their own.

Mr President, ladies and gentlemen, making economic analyses, writing economic reports and forecasting are valuable, necessary, but in many cases rather academic occupations. I repeat what I have said in this Parlia-

ment in the past: what is needed is a change of mentality. In their decision-making the national and Community authorities should take account of the options described in the Delorozoy report. Only if verbal approval is replaced with purposeful decision-making will the citizen regain his confidence in the political leaders. The views of technocrats and politicians may differ on the methods of achieving economic recovery. We should all agree on the ultimate objective. We should perhaps re-read the preamble of our Treaty from time to time. In connection with the Delorozoy report it will then be possible to sense the economic guidelines for the years to come.

President. — I call the non-attached Members.

Mr De Goede. — (NL) Mr President, we are today discussing two reports which concern the essence of European cooperation, the report by Mr Delorozoy on the economic situation in our Community in 1982 and the report by Mr Hopper on the mandate of 30 May. Both rapporteurs speak the truth and make good suggestions. They will therefore have our support. But the question is whether it will not again emerge at the end of the day that our Parliament has acted like a flock of cackling geese, striking only for the different noises it produces. To continue with this image for a moment, shall we succeed in persuading the new Commission, which is gradually coming to resemble a lumbering goose in its movements, to be more active, while the Council continues to behave like a graceful swan which does little else but glide about everywhere?

The Community is in considerable difficulty. Standstill and backward movement characterize it today, and it is not for nothing that initiatives are being launched — Genscher, Colombo, Carrington — with the intention of providing new impulses. But it looks as if the diversion to European political cooperation, which we will be discussing tomorrow, is designed to camouflage the inability to restore Europe to economic health.

We have the growing impression that unemployment is rising by leaps and bounds every month. Of course, we discuss the subject, in the Jumbo Council, the European Council and the European Parliament. They and we talk about it, and the fine phrases fill the patient pages of the communiqués and press reports. But do we appreciate sufficiently that the absence of work — one out of three young people is unemployed and has no chance of finding a job — is increasing the political and social instability?

It is not only nuclear weapons that threaten Europe. Unemployment has hit many families just as hard, and internal desperation and unrest are a threat to us. In my opinion, we have entered a period in which Europe must play its own role between the superpowers more

De Goede

than it has done in the past. We cannot become completely independent, but we can become more independent.

To come to the economy, is it really impossible for a European response to be given to the stringent monetarist policy of the United States? An expensive dollar and a very high interest rate are crippling our chances of recovery. Are we going to put up with America foisting its budgetary problem onto Europe without a murmur? Are we doing absolutely nothing to stop Japan and the United States solving their trade problems by passing some of them on to Europe? Cars, electronics and steel are very revealing examples.

I now come to Europe's internal problems. Of course, we have the European Monetary System, which does not yet include the United Kingdom or Greece. But it does seem as if many people, including people in the European institutions, believe that that is enough, that the Community market can function with six-monthly currency adjustments and corresponding changes to the MCAs in agriculture.

I ask the Commission: when are we going to have a genuine policy of convergence with which the insane differences in the rates of inflation in the various Member States, the wide divergence of their balance-of-payments positions and the troublesome public deficits in many of our countries can be tackled?

If, for example, Mr Tindemans says on Dutch television that Belgium faces bankruptcy, is that only a Belgian affair? Does Brussels simply look out of the window, and does the Commission just say, 'I see, I see' and then get on with the agenda? The problems are undoubtedly serious, and I do not think it will be easy to find solutions either. But what I wish to denounce today is the discord, the powerlessness, the apathy within the Council, the Commission and our Parliament. Our day-to-day worries are suffocating the chance of a broad vision emerging. But the first reckoning will come in 1984. If the modicum of confidence that still existed at the time of the first European elections in 1979 goes on decreasing — and that is the direction it is taking — the question will be whether there will be any chance at all thereafter. The Europe of the institutions is in the process of increasing the gap between itself and the citizens of Europe. The bridges that were planned have not been built. Perhaps it will be necessary to send the Commission home once. But a Parliament that resorts to this action must have the legitimization of willpower and of a vision of its own. I hope there will be some evidence of this today.

IN THE CHAIR: MR PFLIMLIN

Vice-President

President. — I call Mr Boyes.

Mr Boyes. — I wish to refer this morning particularly to paragraph 18 of this report, because the rest of it is highly supportive to the free market capitalistic system that creates great suffering for workers through events over which they have no influence.

There is no doubt that the most important challenge facing the governments of Europe and the organized trade union movement is the challenge of reducing unemployment in the short term and the implementation of policies that will eliminate it in the long term.

Unemployment and its solutions will, and should, along with the question of peace and a European nuclear-free zone, dominate the stage in the next few years.

Both problems are urgent. Time is running out for both, because without rapid solutions that are acceptable to workers future events are totally unpredictable. We have seen in another recent period the dreadful consequences and possibilities of mass unemployment.

The first sentence in paragraph 18 of this report rightly points to both the social and economic consequences of unemployment. I would like to make a few points on both aspects, though stressing that they are not mutually exclusive but rather two parts of the same tragedy: the human tragedy of mass unemployment.

Although not yet read and fully understood as widely as it should be, the work of Dr Harvey Brenner, the expert on unemployment and health, and others working in this field has shown the interrelationship between health loss and unemployment. As unemployment rises, the incidence of illness rises. There is a direct relationship between increase in mortality levels and increase in unemployment. The stress caused to workers as they face the consequences of redundancy and long-term unemployment, and in certain age groups unemployment for the rest of their lives, can reach such a level that the person reaches the point where he can no longer face society and consequently takes the most desperate measure of all: commits suicide.

Those governments in the Community which are deliberately creating unemployment to engender fear in the workforce and discipline the trade unions are as guilty of calculated murder as an individual who sets out to kill another human being. The growing level of suicides amongst unemployed workers is absolutely and totally unacceptable. This is the most dramatic manifestation of the problem: the final solution for the worker. However, there are other symptoms equally worrying, equally of concern. In our society it is accepted that people earn a living for their families, and the psychological effect and stress of not being able to do so leads to depression, hypertension and subsequently to other social problems. There is now a great deal of data available, and I have collected masses in my own country — the country with the

Boyes

highest level of unemployment in the Community — to demonstrate clearly rising numbers of marital breakdowns, child cruelty, greater involvement in crime, numbers having to leave their families and work in other countries, leaving parents and others at the mercy of health and social services that are in general being rapidly eroded.

There is no doubt that social problems are underestimated by far too many politicians of the right, as they press forward with blind faith in their totally unproved, unacceptable destructive monetary policies.

This leads me to the second part: the economic consequences. Speaker after speaker has emphasized the problems in the Community: the ever worsening economic crisis of the free market economy and the greatest price for that being paid by the workers. Unemployment is officially stated to be 10 million in the Community. However, there is little doubt that the real figure is much higher. Even if it is not yet 15 million — which I suspect it is — it certainly soon will be. Clearly, we cannot rely on the forces of capitalism alone to solve the problem.

Firstly, owners of capital have demonstrated quite clearly over the last decade that they have no interest whatsoever in the unemployed; they are no longer units of wealth creation. Secondly, over the last century in particular we have seen recurring crises over which they have no control and for which they have certainly no solutions. That is why we on the left welcome the election of Mr Mitterrand in France and Mr Papandreu in Greece — both elected on a pledge to intervene in the economic system. Already Mr Mitterrand, by the nationalization of the banks and other measures, has shown his determination not to leave the problem to the capitalist forces alone.

Whilst recognizing that there is no solution in the capitalist system that is satisfactory to the workers, it is still necessary for organized labour to make short-term demands. It is necessary for governments, and in particular Socialist governments, to implement measures to create jobs quickly. There must be massive investment in the public sector to create labour-intensive jobs in construction, infrastructure, by direct purchasing from firms needing orders.

A reduction in the working week is a vital and necessary part of our overall strategy. Again, despite Mr Beazley's provocative and preemptive attack on the new France, Mr Mitterrand has taken the lead. We must get to a level of 35 hours very rapidly. If the productive processes do not need the same labour levels as a decade ago, then there has to be work-sharing. We must reduce the social pressures on the unemployed. Additional measures must be taken too: there must be longer holidays, more study time, voluntary early retirement along with other measures to increase the quality of life and to give the working people greater leisure.

Our objective must be to ensure that no individual worker in this Community spends longer than 12 months without a job. Of course workers fear technological change because technological change in our society has meant loss of jobs. But it need not necessarily be so if we are prepared to share the work and the product and at the same time enjoy the beneficial consequences of technological change.

Our colleagues on the right argue that the programmes demanded by the left — reduction in unemployment by massive public investment — would lead to greater inflation. However, even Ivor Richard has attacked those who argue against such measures on the grounds of inflation alone. He emphasized at the Jumbo Conference the need to review anti-inflation policies by adopting measures which could aid economic recovery. He stressed — and I quote: 'We cannot afford to be inhibited by dogmatic views based on fragile theories about causes and cures of unemployment. Monetarist policies in Europe and America and other countries have been totally discredited, and the arguments of its supporters are not standing up either to scientific argument, scientific analysis or practical experiences.' We cannot leave the activities of our system to capital alone. The system is totally discredited, and the only possibility of solving the problems of working people — the problems of the working class in this Community — is by the implementation of a socialist alternative economic strategy with the total elimination of capitalism as its ultimate goal.

(Loud laughter from various quarters)

President. — I call Mr von Bismarck.

Mr von Bismarck. — *(DE)* Mr President, ladies and gentlemen, I should like to thank Mr Boyes for his statement and say to him: you are one of those people — a young man — who have made reactionary speeches today. You have still not grasped that the heart must be on the left and reason on the right. In your case it is the other way round, and that cannot succeed. The heart must be on the left, not the head. You are pursuing an old-fashioned concept like some of your colleagues, including a colleague the same age as myself, who speaks of masters and servants.

To Mrs Desouches I should like to say that it is not that the free market economy is social but that social market economy makes for freedom. The unemployment figure of 10 million is almost the same as the number of refugees in Germany after the war. The courage to embrace freedom, the courage to take to the market at the time of Ludwig Ehrhard brought employment for these ten, in fact, there were as many as twelve and a half million of these people. It is the dogged reactionary attitude of the last century that

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prevents you from realizing that these methods will not bear fruit, and Mr Mitterrand will very soon show that that is the case. Nationalization does not result in a larger market but in greater power and, as you will see, very soon in greater powerlessness. Look at the Soviet Union: it is the prisoner of its armaments industry. It cannot change at all at the moment because an enormous percentage, almost 30 per cent, of all workers are employed in the armaments industry. Powerlessness, political powerlessness is the consequence of nationalization. You will soon see this in France. I would not have mentioned this if you had not sung a song of praise to these mistakes.

New jobs will only be created if we have the courage to do what the Commission is now saying. I should like to congratulate you, Mr Ortoli, on the Commission's courage in making these recommendations to us. And what about the Council, which I am shocked to find is not represented here at the moment? Where is it during the most important debate of the year, on our European budget, on the requirements for the fight against unemployment? The Council is doing what it itself decided in 1974, not because it is afraid of the national parliaments. Perhaps they also include so many reactionaries wanting to return to the last century to tell us what should be done in 1980. The Council does not implement its own decisions. In 1974 it gave the Commission the opportunity to issue detailed instructions, but it does not implement them. You should read what it says in the blueprint for 'stability and growth', which was signed by a Social Democrat, one Helmut Schmidt. It says that they will take concerted action within the framework of their respective legislations. Mr Herman is right: they are simply not doing this. The divergent policies of ten countries will not, of course, produce any helpful concept but simply cancel each other out. What can the Commission do, apart from repeatedly issuing the correct instruction, if the Council cannot find the courage to accept and then implement what it has itself decided, whether or not its parliaments agree? If things go on like this, we can talk for ever.

People complain about the officials in Brussels. They should not do so. The officials in Brussels do what the Council has told them to do. The officials in Bonn, Paris and London are the ones who ensure that the sensible course of action is not taken. They are the ones who supply the Council with the wrong proposals and prevent it from performing the task it has set itself. I would warn against looking for a guilty party. The press writes what the public wants to hear, not what the citizens should really hear. It joins in the complaints about Brussels. Every week it has quotations and documents to hand and presents them to the public, who are supposed to believe that it all comes from the Brussels bureaucracy. We of Parliament should stand firmly behind this Commission, which has the courage to implement ideas and solutions which have the benefit of experience.

Mr Delorozoy is quite right when he says in his report that there will be no improvement until the Member States realize that this European Community is an irreversible association, has a common future and must pay for the mistakes of all its Member States, including those made by the French. Our common future is irreversible. If we do not realize that, there will be no end to the dreadful nationalism of the individual States. This Parliament is the body which must tell all Europe's citizens that there is no way back, only forwards — have courage, invest more.

Mr Leonardi, you said we were wrong about inflation. That is not so. To begin with, inflation gobbles up profits and in so doing, it gobbles up investments, and then we have the vicious circle. After it has gobbled up investments, it grows again. An about-turn therefore means: spending less today, saving more for tomorrow, investing more and then conquering inflation. If that approach is not adopted, if inflation is not conquered at the beginning, nothing else will succeed.

I repeat: let us support the Commission, against the Council, and let us make it known in our own Parliaments that the Council — our own government — is to blame for Europe's failure to grow and to achieve what was rightly called for just now: independence between the superpowers. Let us not complain about the dollar. Let us make our own currencies stable, and then we do not need to be afraid of the dollar.

President. — I call Mr Marshall.

Mr Marshall. — Mr President, Mr Boyes in his interesting speech suggested there was an easy answer to the problems of unemployment. I would like to remind Mr Boyes of what Mr James Callaghan said some five years ago:

We used to think that you could spend your way out of recession and increase employment by cutting taxes and boosting government spending. I tell you in all candour that that option no longer exists and that in so far as it ever did exist, it only worked on each occasion since the war by injecting a bigger dose of inflation into the economy, followed by a higher level of unemployment as the next step. „Higher inflation, followed by higher unemployment.

Those, Mr Boyes, are the words of Mr James Callaghan, one-time Chancellor of the Exchequer, former Leader of the British Labour Party, and they indicate quite clearly that your speech was an expression of the economics of the madhouse.

I would remind you that in Europe there are 270 million free men. I suspect that with your policies you would increase the level of unemployment and destroy our freedom. However, we must congratulate you for sailing under your true colours. I do not believe that you can create full employment, and I do

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not believe that in the economies you seem to be happy with there is full employment. And so far as your wishes for a reduction in the working week are concerned, it is all right for a former employee of local government to talk like that, but if you knew anything about competitive industry, you would realise that a reduction in the working week destroys competitiveness and destroys jobs. The only people who can welcome President Mitterrand's decision to reduce the working week in France are competitors of France, because all that the reduction in the French working week can do is to raise costs and to make France less competitive. It is a sadness for France's friends; it is welcome to her enemies and it will create unemployment rather than solve unemployment in France.

(Mixed reactions).

If we look at the problems facing the Community, it is, in fact, inflation which is creating unemployment. It is inflation which destroyed business confidence; it is inflation which has bankrupted business; it is inflation which has restrained investment; it is inflation which has ruined competitiveness and it is inflation which has destroyed jobs in Europe. And the only way we are going to solve our economic problems is to restrain the level of inflation to a much lower level than we have at the present time.

Inflation at 10% per annum means that the value of money is halved over a 7 1/2 year period. Inflation is unfair as between individuals. It is alright for those in the public sector who may be able to enjoy an index-linked pension, but for a very large number of people it means an erosion of their savings and the loss of their jobs, and if we are ever to solve this problem of unemployment, the only way we are going to do it is by getting rid of the inflation in our system which has been the destroyer of jobs and the destroyer of hope for many in our Community.

The final thought I would like to leave with this House is this: there are a number of my fellow countrymen who seek to blame the Community for the unemployment Britain is suffering. All I would say to them is that Britain outside the Community would suffer much more unemployment than Britain suffers at the present time.

President. — I call Mr Alavanos.

Mr Alavanos. — (GR) Mr President, except for a number of positive points made by Mr Delorozoy — such as his remarks on small and medium-sized undertakings and on energy — we, the members of the Greek Communist Party, reject the report in its entirety. We do not, of course, disagree with the need for joint efforts to deal with the major problems which beset our country. But we fail to understand why these joint efforts must take place within the framework set

by the EEC and NATO, rather than as part of a concerted endeavour with Socialist and developing countries. We, too, are internationalists just like Mr von Bismarck, but we fear that his brand of internationalism is reactionary and must bear some of the blame for the serious crisis now facing Europe, whereas our internationalism enjoys the support of the peoples of Europe, as evidenced by the recent elections in France and Greece.

As for the report, we should like to stress that, as Mr Bøgh and Mr Boyes have said, it is essentially an attempt to establish a free market and monetarist model in the remaining European countries based on a strict incomes policy, the reduction of public expenditure and a policy vigorously in favour of competition, which translated into Greek terms means the immunity of foreign monopolies. It was precisely this model that the Greek people rejected in the elections a few days ago; but on today's evidence it seems that the EEC is trying to bring back through the window what the Greek people threw out of the door. This is why we are alarmed by the attacks made by certain members of the European Parliament against the policies pursued by the French Government and at the attempt to use EEC mechanisms as an instrument against the policies of the French Government today and perhaps against those of the Greek Government tomorrow. For this reason we believe — and the Greek people agree with us — that our country does not need a strong competition policy as stated in the report, but rather the abrogation of the immunity enjoyed by the monopolies.

Competition is not the be-all and end-all of economic growth, as claimed in the report; rather we believe that it is necessary to nationalize certain strategic key areas in the economy and to strengthen the democratic programme. We do not support a strict incomes policy but rather the index-linking of workers' incomes.

Finally, I should like to say that the basic principles of the Delorozoy report show once more that Greece and the Greek Government should ignore and shrug off the obligations imposed on them by Community policies and the Act of Accession and that the only way to achieve renewed growth is to sever ties with the Common Market.

President. — I call Mr Pasmazoglou.

Mr Pasmazoglou. — (GR) Mr President, I should like to underline the importance of the Delorozoy report both as regards its findings and the proposals it puts forward. I should, however, also like to point out that some of the observations in the report fail to do justice to the serious social situation created by long-term unemployment in certain countries and the acute problem of development in other EEC countries,

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including Greece. Furthermore, I should like to take the opportunity to emphasize the sharp contrast in spirit between the Delorozoy report and some of the ideas we had just heard. It is only by adopting common policies and by jointly tackling the economic and social problems of our times that the European Community as a whole can hope to find solutions to the problems confronting its peoples. This is the responsibility of the Parliament, of the Community authorities and of the entire political leadership of Europe today.

I should like to make three points:

Firstly, I should like to say that we need the coordination and the harmonization of the economic policies of all Community countries far more than a convergence of economic policies. There must be agreements between governments, and, here the European Community plays a very important role in making suggestions and recommendations and offering solutions. I should like to take the opportunity here to underline the importance — past and present — of the work done by Mr Ortoli, Vice-President of the Commission.

Secondly, I should like to comment on certain observations contained in Mr Delorozoy's report. While the report as a whole seems to be of predominantly monetarist inspiration, some paragraphs — other than paragraphs 8 and 10 — belie this impression.

But surely the experience of the past few years has shown that inflation cannot be eliminated by reducing budgetary deficits and pursuing a severe monetarist policy. What we need today is to press ahead with increases in social expenditure and expenditure designed to promote regional development in Europe, so that we may overcome inflation as well. Otherwise we shall be confronted with the problem (besetting) certain European and non-European countries where reductions in budgetary deficits lead to a drop in revenues as a whole and consequently to greater unemployment and to greater imbalances. In our opinion this increase in imbalances is a dramatic problem for the European Communities, which will have very serious consequences: the Delorozoy report, for instance, found that inflation ranges between 4.5% in certain Community countries and 25% or more in Greece where most social classes and especially the workers have to contend with it.

The third observation I should like to make concerns the implementation of a policy for agricultural and regional development, an agricultural policy in favour of Mediterranean products and a regional policy designed to lessen the disparities between the individual countries and regions of the Community. A policy of this kind will be the first step towards renewed growth throughout the Community, which is the only way to deal with unemployment and inflation.

Mr President, allow me to mention very briefly before ending my speech that today, the 17th of November, is an anniversary in Greece, a day when youth and democracy are celebrated. Eight years ago Greek students protested against the dictatorship, and this played a decisive role in bringing about the downfall of the colonels' regime. I should like to mention this to the Parliament and to say that the support given by the European Parliament and the other Community institutions to the Greek people in their struggle against the dictatorship proved invaluable. I mention this here to show that the bonds between us, consolidated by the institutions and based on a common adherence to pluralist democracy, political freedoms and democratic rights, will be strengthened by a Community initiative to tackle the economic and social problems confronting our peoples today. Furthermore, this is the only way in which we can overcome the economic crisis in Europe and increase the political influence of Europe in world affairs.

President. — I call Mr Petronio.

Mr Petronio. — (*IT*) Mr President, in the course of this debate Mr Leonardi, in a stimulating speech, raised a problem that is viewed in various ways by different sides. We know that in the mountains of Switzerland what looks like a climb when seen from below looks like a descent when seen from above. In the same manner perhaps Mr Delorozoy, Mr Leonardi and Mr von Bismarck can all be right when they say, from opposing standpoints, that it is inflation which, through the erosion of profits, causes the drop in investments. Perhaps all of them are right also when they say that it is the decrease in investment which, bringing about a decrease in innovation, in productivity and in international competitive ability, produces the disequilibrium in the balance of payments, and thereby inflation.

I believe that both approaches can co-exist under the already-coined word 'stagflation', a term which represents the economic tragedy which is nearly upon us.

The initial impulse given to the debate by spontaneous observations, rather than by prepared scripts, is interesting because it stresses an essential aspect of the Delorozoy report, the one relative to investments. This question can be resolved in only two ways: either through private investment — where the investor believes that his capital is protected from risk, or at least that any risk taken provides a profit which in turn justifies a commitment to a business enterprise — or, if for some reason this does not occur, through intervention by the public sector. The public sector intervenes with its public expenditure which consists partly of operating expenses and partly of investments; and naturally everyone is in favour of expenditures for investments and deplores excessive expenditure for administration, since it is unproductive. This idea,

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however, should also be discussed, for what expenditures are unproductive? An expense that seems productive can in reality be unproductive, and vice versa. It can be productive to carry out a project that is perhaps found to be unnecessary but nevertheless gives rise to a whole series of secondary expenditures, related activities and ideas; this alone may make it productive, at least for the future and on the principles of innovation and technological development.

I say this because sometimes we take for granted novel ideas 'the mind creates by roaming aimlessly', as Keynes once wrote and as Arthur Burns, former president of the Federal Reserve Board, says in an article written for an Italian magazine and entitled 'America finally throws off the yoke of Keynes.' America may indeed be free of the yoke of Keynes, but the Royal Academy of Sweden recently awarded the Nobel Prize for economics to none other than a post-Keynesian, after having given it two years ago to Milton Friedman and his Chicago school of economists, and to Tobin, who demonstrated, perhaps with the help of another Nobel Prize winner, Wassili Leontief, and his famous econometric tables, that the reduction of taxes proposed by the American Administration stimulates not investment but rather consumption that is, the opposite of what should happen.

How do things really stand? The fundamental truth is — to borrow a phrase Mr Ruffolo used a while ago when he was in charge of planning — that planning in certain countries is almost tantamount to having a football game with the usual 22 players but with 22 balls. This is to say that in Europe the centres of decision are infinite; perhaps there are too many of them. Public expenditure no longer has a meaning because of its ceiling, but because of the fact that the ceiling is not well made, it leaks, snow makes it collapse, it affords no protection; public expenditure is ill-constructed, ill-structured. Public expenditure may at times be considerable, but the decision-making process needs to have proper guidance. We cannot allow it to be steered by a multiplicity of interests, some influenced by electoral motives, some by the thought of the employment situation, some moved by the aim to protect the advantages of one region or another. There are decision-making centres on the local, provincial, regional, national, European and international levels! Unfortunately, we are obliged to play with all these balls and to deal with all these interest groups all moving in different directions. There is no central authority, no political will at all.

This is why I am entirely in favour of the Delorozoy report. It provides for the famous five-year plan and asks that things be done immediately and quickly, openly confronting the menace of the approaching tragedy. In reality the five-year plan accounts for a period of time at the end of which this Parliament will no longer exist; it will have — perhaps also politically — radically different characteristics; in five years the ten governments of today will probably all have under-

gone profound changes; in five years, to take the long view, as certain philosophers used to say, we will all be dead. Let us then begin here and now to deal with the situation and to propose solutions. The quickest way is to propose a political solution, because essentially all these questions concern political economy: the ceiling of public expenditure, the major lines of expenditure, their control, innovation and research, savings in energy.

Why do we accuse the governments of doing nothing in certain sectors, in the sector of textile end-products, for example? Why in the sector of the special steels industry do labour costs amount to exactly the same percentage of total costs as the electrical bills: 23 or 24 per cent? Let us begin then by establishing priorities. Energy means alternative sources; energy means research; energy means innovation. We must work in this sector and move this first financial lever by means of the instruments wisely listed in the Delorozoy report, instruments which we possess but do not fully exploit: the European Investment Bank, the ECSC, Euratom, the new 'Ortoli facility' which the governments have absurdly blocked on the level of a thousand million ECU's, at the very moment when there is need of a revival in the 'star' sectors and not in the 'dog' sectors, as we say nowadays; in the 'star' sectors, those which compete on the international level.

I would conclude by stating that this problem is one of general political economy which should be dealt with immediately by the governments, and that the task of this Parliament should be to exert its influence to this end, without waiting five years, or twenty, or for the future civilization of the year 2000.

President. — I call the Commission.

Mr Ortoli, Vice-President of the Commission. — (FR) Mr President, this has been an extremely useful debate. It has shown that there are divided political views — understandable in a Parliament — and at the same time a common outlook on many points. If you will allow me, I shall come to that in my concluding remarks, for a common outlook means that there are a number of things that we can do together, even if we differ on certain points of detail. I believe that for us, at the European level, this is an extremely important aspect.

The report that we have drawn up for you is at one and the same time a report on the economic situation and a compilation of various pieces of information which we have sought to make available to Parliament. I should like to say in this connection that we have tried for some years now, when the time came round for the annual report, to do more than simply prepare an annual report. We have tried in a sense to take stock, that is to say, to put forward certain additional pieces of background information. Everything we have been hearing here today shows that people's minds are

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sorely troubled. The only way to put minds at ease is through firm conviction and good communication. We are accordingly trying to lay the foundations of firm conviction by proposing to maintain the best possible communication.

In recent times we have had to suffer two successive crises — and this fact is reflected in the results for 1981 — first there was the oil crisis and then the dollar crisis.

The steep rise of the dollar, exceeding 30% in one year, was obviously profitable in relation to exports — but such effects are not felt immediately. On the other hand, when it came to products bought for dollars the effects were unfavourable and immediate, and we are clearly suffering the consequences in our balance of payments and in inflation. And then came the rise in interest rates. It gave us a whole series of problems which I shall not go into but which are nevertheless obvious.

In other words, we have there one of the causes — for I share the opinion expressed here — of the difficult situation we have been experiencing, a situation illustrated very well by two facts: firstly, unemployment today is in the region of 8% of the working population of the Community, which clearly tells us that unemployment is now and is becoming more and more one of the major problems of the Community as a whole; and secondly, we have the remarkable failure of inflation to respond to all our efforts to control it. Admittedly, we are seeing a reduction in our balance of payments deficit but — a bad sign — our recovery is slow at a time when there has already been a complete reversal of the situation in other countries with a comparable industrial structure to our own, the United States and Japan for instance. And I should like at this point to refer to some figures that Mr Herman quoted earlier. It is quite true that another index which is not often used as an indicator of the state of the economy is particularly disturbing: that is the index of the level of investment in the Community, which today stands at around 21%. At a time of full growth it was a great deal higher. Today, when we are in the doldrums, the level of investment is low. I appreciate that the two facts are directly connected, but in Japan investment is currently of the order of 32%, and this should give everyone here some idea of the kind of problems we are likely to encounter, that is to say, problems to do with our industrial structure and problems of competitiveness. This is at the very heart of the questions that we have to resolve, because we are constantly vulnerable to outside pressures. The main reason for this is our lack of energy and raw materials — which is something we have to go on repeating — and the importance to us, by virtue of this need to import, of exports, which are and always have been a key factor in our development, for the growth of Europe occurred at a time when world trade was expanding, and this is something we should not lose sight of.

Next year we are expecting a growth in real terms of the order of 2%. This level of growth will not be sufficient to bring down unemployment, which is likely to rise still further, but it will make it possible, as our economies gradually recover, for unemployment to level out in the second half of 1982.

Which means to say that one of the essential questions we have to ask ourselves is what we are to do — given that 1982, for which the outlook is bleak in any case, is already too close for us to bring much influence to bear — to consolidate, or rather to improve the situation, and prevent a further setback of the kind that has so often punctuated Europe's recovery over the last few years. What I am saying is that 1982 will still see only a limited improvement in the economic situation, that because of very high inflation and only a marginally improved balance of payments position there will continue to be very serious imbalances, and that the divergences between the various Member States — you have seen our figures — will still be unacceptably large.

Furthermore, what real development can we expect? How are trends in the United States likely to affect us? What would be the effect of a possible recession on our own development? All these questions remain open, which means to say that from the growth aspect we can probably count on a better year, but one during which growth will continue to be hesitant, with excessive imbalances and disparities and considerable uncertainty.

The annual report, may I remind you, as others have done already, should be seen in a wider context. For some time now we have not been content to give Parliament only an annual report. We have also submitted a report on the mandate, which seeks to describe a number of joint measures. We have put forward a programme of medium-term policies, which to some extent lays down a framework for development. We have highlighted in this programme a number of aspects that are going to recur again and again throughout the coming year: the problem of competitiveness, which I just mentioned in passing a moment ago, and also the following questions: How to ensure, through European monetary cooperation, a more stable basis for our development? How to establish a Community strategy on energy? How to restore investment to a level that matches our enormous structural needs? How to take full advantage of the size of our domestic market so as to have industries that are vigorous and up-to-date, which are not exclusively in the field of advanced technology but simply industries providing goods and services suited to today's markets and commercially viable, industries, in other words, with staying power?

This calls for a whole lot of research and a whole lot of development and it also calls for an everyday technology, and not just advanced technology, which will place our products on the market under satisfactory

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conditions. Within the Council of Economic and Finance Ministers we have at last — and this is my third point — discussed an overall strategy which will enable us to put aside this absurd debate about which is the more important: inflation or employment.

In the first place, employment is clearly our ultimate objective. It is what lies behind the fight against inflation. This is not to say that the fight against inflation is not essential, but that we are fighting to create employment, because otherwise our actions have no meaning. I believe we are guilty of a fundamental error — and it seems to me that at times we do commit that error — if we fail to show that certain tough policies have in fact an objective other than the obvious one. And this objective is employment.

I come now to the immediate outlook for our economic policies following realignment. Our first task is to turn realignment to good account, to take advantage of it to help calm the international monetary environment, to use it to pursue domestic policies conducive to a lowering of interest rates, to take the opportunity it offers to implement support measures which will enable us to hold on to the competitive advantage that realignment has given us. That is the point of support measures. These are not tough policies for their own sake, but policies intended to safeguard whatever advantages one has gained, and they should be seen in that light.

The second vitally important point is the need for closer convergence between economic policies and incomes policies. Improved budgetary and monetary cooperation has already been mentioned. Our aim must be to ensure convergence — we have already talked about this here and no doubt we shall be coming back to this debate next month — so as to arrive at policies, particularly budgetary policies but also monetary policies and, on a more general level, price policies, which will ensure that our markets can develop and remain strong. That is why we attach so much importance to the budget guidelines and to our recent discussions on the means needed to help certain countries to change the course of their budgetary policies or to put into effect a price policy designed to meet the needs of the present situation. That is what lies behind some of the recommendations we have put to certain Community countries in relation to indexation.

A third aspect that has been referred to here is the problem of improving the distribution of working time. I should like to point out that we have already discussed this matter in this very Parliament and that there is in existence a number of documents which we would, it seems, do well to bring forward for further discussion and which should help us to come to grips with this problem rather more calmly than is generally the custom. We should look, on the one hand, at the effects of reducing working time on productivity and, on the other, at what bottlenecks are likely to occur.

In fact, in a number of sectors — not very many, admittedly — we do still have a considerable number of job vacancies, and we must also be certain that we are able to fill those vacancies which occur in the future.

The fourth aspect, which has also come up several times, concerns the relationship between incomes and costs, which poses a very real problem. We have started to look into this, and I feel it is something we must pursue.

There is one point on which we can go a little further, i.e. the whole debate we have had on certain less contentious measures and especially on a number of techniques to do with the management of the labour market which could help to solve the problems of employment. What is our position on flexible retirement, on part-time working? This would seem to merit some serious thought.

My last point, Mr President, is that this whole task of integration must be taken in a wider sense. In this connection I endorse what has been said by several Members of this Parliament, and by Mr Leonardi in particular. No short-term policy can today be totally dissociated from structural policies. We are in the process of changing the face of Europe, and unless we do change it we will have to pay the price in incomes and in jobs. Whatever short-term measures we adopt to deal with our economy must take these factors into consideration. That is one point. It means that in facing up to what we have chosen to describe as the challenge of employment we must also adopt a coherent attitude and do so without delay. You have there one of the reasons why, in the face of dramatically rising unemployment, we felt it essential to place such emphasis on the absolute necessity of investment. I am going to give you an example. I am quite convinced that if we were to return rapidly to a rate of growth similar to that which we had in the good years, we would not have the economic strength, nor even perhaps the necessary equipment and production capacity, to be able to cope, in certain sectors at any rate, with the kind of development that a properly conducted export policy would make possible. If we were to disregard the imperatives of investment, we would ultimately come up against obstacles which will be physical obstacles and which will manifest themselves either at the level of imports or in escalating prices. In these circumstances, investment is a vital factor. It was quite rightly pointed out — and I believe Mr Leonardi did so, too — that investment is not just a matter of financial resources or of macro-economic management. I share this view. This does not alter the fact that we have one factor in our favour. Following our own realignment and the revaluation of a number of major rival currencies, our competitive position has been improved. That is one of the positive features to have come out of this difficult period. As I said a moment ago, we have paid in terms of imports, we have paid in terms of inflation, but in terms of compe-

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tiveness we have at last gained. Let us build on that, let us increase our share of the markets, let us be conscious of the fact that today we have a better competitive position, so now let us invest to improve our position still further.

Secondly, we should ensure that whatever measures we undertake jointly to bring about a lowering of interest rates will serve to demonstrate, both in reality and symbolically, that the cost of investment is not so high as to justify undue pessimism when weighing the prospects for development against the prospects for repayment, arguing in effect that since we cannot repay we cannot invest.

Thirdly, it seems to me that the time has come for us to be more bold in our Community policies. The words are all too familiar to us: It is easy for people to say things like: 'We want an energy policy which will eventually give us independence while at the same time guaranteeing us better energy savings . . .'

What is needed now is to formulate an energy policy, to invest in energy. The time for talking is over, we know all there is to know, there is no point in discussing the matter any further. It is time to take action! And the Community has a job to do.

We all speak of the need to create, to develop technology and to have the kind of advanced economies which are vital today if we are to be able to compete in the future. Is this possible in Europe? Europe has 260 million skilled inhabitants, it is highly developed technologically and offers a vast and as yet untapped market — what more could we ask for? Then why not take advantage quickly, instead of treating it as a sort of verbal objective which gives us all cause for endless self-satisfaction without a single move being made to initiate the kind of joint action that is so urgently necessary? It is much easier to sit back and say 'It is important that it be done' than to say how it is going to be done. We need a bold approach to this question.

In other words, Mr President, what we are talking about is an active policy on employment. We have already, through the Jumbo Council to which several speakers have referred, outlined certain proposals that need to be implemented, in particular concerning young people and also training, which is absolutely indispensable both to them and to our economic development.

This is the time, at both national and Community levels, to show that one is capable of doing it. I am not asking that this action be entrusted to the Community. I believe that the decision to pursue a common strategy is already very important in itself, even if it is implemented at national level and if the Community's role, which can be a valid and objective role, has more of a symbolic value. For the word 'hope' does have meaning and the expression 'joint ventures' does have meaning, if this Community role is clearly stated and clearly affirmed.

In conclusion, Mr President, the real problem as I see it is not that we might be trying to force our own individual beliefs down each other's throats: everyone has his convictions and I have mine. For me the real problem is to see that a set of specific Community measures, being the expression of a political will, can help to provide solutions to problems, objectively — and I was going to say politically — under the banner of Community action, while demonstrating at the same time there are occasionally grounds for hope and that this hope lies in part in our capacity to act together. That is a vitally important point to remember.

Mr President, that is all I wanted to say. The House will shortly be discussing the mandate and we have touched upon one of the themes of the mandate. I hope, Mr President, that in December we shall have an opportunity to discuss the Medium-Term Programme, because it seems to me that we can never have enough debates of that kind. A proper debate on the Community's medium-term future and on the resources it has to help our peoples is, in my view, essential. I trust it will take place while the dish is still warm and before the soufflé has completely flopped, that is to say, before the texts have been so often repeated and gone over that the ideas they contain have lost all freshness and interest. I sometimes feel that the Community institutions have a special talent for making things banal before they have even been put into effect.

President. — The debate is closed.

The motion for a resolution will be put to the vote at the next voting time.

3. Mandate of 30 May 1980

President. — The next item is the interim report (Doc. 1-682/81) by Mr Hopper, on behalf of the Committee on Economic and Monetary Affairs, on the Commission report on 'the mandate of 30 May 1980.

I call the rapporteur.

Mr Hopper, rapporteur. — Mr President, in July of this year the Bureau of Parliament urged the Committee on Economic and Monetary Affairs to produce a report on the Commission's initial response to the mandate exercise — that is to say, the document of 24 June — in time for a debate and a vote this week. By dint of a work of supererogation, a theological term which I commend to my colleagues, the committee was able to complete its work on 27 October, and I am happy to say that the report before you received the unanimous support of the

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Committee on Economic and Monetary Affairs. Because the document of 24 June was only part of the Commission's response, the committee decided to designate it an interim report. There have been precedents for interim reports in the past, and one of them has been adopted by this Parliament.

I understand that there is now a proposal that the Parliament should debate but not vote upon our report. May I say that I believe this would be an error? The reason is as follows. The Commission has produced eleven supporting documents. I understand that these are to be sent to different committees of the Parliament for individual and separate consideration. It is my opinion as rapporteur that there is now a real danger that Parliament's response to the Commission's mandate will be, so to speak, Balkanized. Committees will proceed in an uncoordinated fashion, with the Committee on Budgets and the Committee on Social Affairs and Employment perhaps reacting in a fashion which is not on all fours with the Committee on Agriculture or the Committee on Energy and Research. When the individual reports arrive in this Parliament — some in January, some perhaps as late as May — Parliament will be faced with an impossible task. Unless it is able to take a single unified view at the level of the committees, it will be almost impossible for it to take a unified view in plenary sitting. If, however, the Parliament votes upon the interim report this week and accepts it — amended or otherwise — there will be upon record a single unified view to which each committee can relate when it considers the other mandate documents.

It will not be a final view — it cannot be — but it will provide a single *point de repère* for the grand debate.

I would point out that there will always be an excuse for delaying a vote. When we have digested the 11 supporting documents, we shall find that the implementing documents are upon us; we shall be aiming at a continuously moving target.

Whatever we do this week, Mr President, there will be a need for some coordinating mechanism to link together the different committees so as to ensure that the general objectives of the mandate exercise are not lost sight of. I urge the Bureau to address itself urgently to this matter.

I now turn to the substance of the document. There is no point in repeating all the arguments which appear in it, but I should like to single out certain themes. The first is that there was a widespread sense of disappointment in the Committee on Economic and Social Affairs with the quality of the Commission's initial response. Many members felt that it consisted of vague and general statements and lacked a strong sense of direction. Nevertheless, I feel it would be unconstructive for me to dwell too long on this point.

The committee does accept the Commission's view that the mandate exercise must be used as an oppor-

tunity for reviewing all Community policies. The committee regretted the somewhat artificial origins of this debate; it is unfortunate that after a quarter of a century of its existence, it should still be necessary for the European Community to be discussing financial arrangements affecting individual Member States. This is what the committee had in mind when it referred in paragraph 19 to the 'particularity of application' of the proposed financial mechanism.

The third theme to which I should like to refer is that it is desirable for the European Community to look once again at the impact of Community policies in general upon the redistribution of resources amongst Member States and regions. The Treaty of Rome lays down an obligation to reduce disparities between the standards of living of Member States. This would imply that the European Community's policies, to the extent that they are redistributive, should transfer from the richer to the poorer Member States in a systematic fashion. I believe that all of the Community's policies should be looked at once again in this light, and I should like to quote from paragraph 21 of the report:

The committee considers that the European Community should periodically redefine its objectives and assess the results of its policies; believes, in particular, that the redistributive impacts of all Community policies should be made much more transparent, possibly through formal statements on the likely impacts of each policy on convergence, such statements to be published by the Commission when proposing new policies and in reviewing old ones.

All of us in this Parliament totally reject the doctrine of *juste retour*. If *juste retour* was to be made a principal goal of this Community, there would be little point in having a Community. Moreover, convergence can never be simply a question of redistributing resources; it is also necessary to achieve a greater coordination of national economic policies. This is also a theme of the report.

The implication of enlargement has also not been adequately spelled out in the document. This is regrettable, since the implications of enlargement for the mandate exercise are so great.

I also regret that the Commission has not commented on the proposal made by Parliament on various occasions to the effect that there should be a more general budgetary equalization scheme to help weaker Member States. If the Commission disagrees with this proposal, we should like them to say so.

In conclusion, Mr President, let me reiterate that in spite of all the failings of the document of 24 June, I do believe that the mandate exercise provides an opportunity to examine anew our goals and the way we should attempt to achieve them.

IN THE CHAIR: MR DANKERT

Vice-President

President. — I call the Council.

Mr Hurd, *President-in-Office of the Council.* — Mr President, I am very glad to have the opportunity of being here this morning and listening to this important debate. We all in our individual lives wrestle with the problems of dates and conflict of engagements, and the Foreign Affairs Council is meeting in Brussels today. But it seemed to Lord Carrington essential that one of his colleagues should be here in the Chamber today, so that in preparing for the European Council next week the Presidency could take into account the views expressed here in this important debate.

I have, of course, studied the documents and listened with care to the very clear and cogent introduction by your rapporteur and I would like to congratulate all those concerned with the documents and the opinions which have been expressed on the workmanlike and realistic approach which has been adopted.

Perhaps it would be helpful if I said a word as to procedure, about how the Council is tackling this problem. We have, of course, the mandate group which has been working on it for several months now, sometimes at the level of ambassadors, sometimes with the participation of ministers. And we have been working in the mandate group to a large extent on the basis of the Commission's report of 24 June. Perhaps I could say a word here, and it may be slightly easier for me to say that word than it is for Mr O'Kennedy. I personally do not share the criticism which I have just heard expressed and which I see in some of the documents about the Commission's response of 24 June. Certainly we in the Council have found it a useful response, and it is one on which we have been able to base a good deal of work.

Yesterday the Foreign Affairs Council took up the work of the mandate group and attempted to carry it further. This work is continuing today in a series of bilateral meetings, and it has been decided that the Council should meet again at a special meeting on Thursday of this week, the 19th, in an effort once again to carry forward the work which has been proceeding for several months now in preparation for the European Council in London next week. But I should emphasize, Mr President, that what the Council is doing through these different pieces of machinery is looking at the problem as a whole, looking at its different parts, their relationship with one another and the balance between them. We are not now considering specific proposals of a legislative kind. When that stage comes, and obviously we hope that it will come, then such specific proposals will have

to go through the normal procedures of the Community, including, of course, necessary consultation with this Parliament in accordance with those procedures.

On the substance, Mr President, I do not think the House will expect me to enter into great detail on matters which are being worked on hour by hour in the Council and in its different fora and on which, therefore, the situation shifts day by day, but it might be useful to explain that work is proceeding simultaneously — and this is important — under the three main headings which have been identified.

First of all, there is the heading of non-agricultural policies, and it is no secret that we have found it easier to make progress, to elaborate texts, under this first chapter of non-agricultural policies than under any other. The different elements in it will be familiar to this House. There is the need, which, I think, most Member States have found overriding, to tackle the problem of unemployment, not just by phrases in *communiqués* but by effective actions on the part of the Community, and this means harnessing all the policies of the Community which are relevant in this direction. The Social Fund comes up for renewal, and this is an opportunity which must be taken to redefine its purpose and its scope in the light of this situation. On the Regional Fund, there are interesting ideas — not without controversy but interesting ideas — from the Commission; and we have found agreement in the mandate group, and in the Foreign Affairs Council yesterday, on the principle of concentrating on the areas of greatest need. But obviously more work needs to be done on that before we have a specific proposal which can be considered through the legislative processes of the Community. Similarly on the internal market, where you had an interesting and important debate, which I listened to with care and which has undoubtedly had an influence on the work of the mandate group and of the Foreign Affairs Council in considering this aspect of Chapter I. So there has been reasonable progress, I would say, having been present at most of the meetings concerned with Chapter I, and one can see the outline of the necessary operational guidelines there.

On Chapter II, on agricultural policies, it would not be honest to give such an optimistic report. The going has been rougher and we are not yet in sight of a satisfactory conclusion. I could, perhaps, make it clear, however, that the Presidency has not found in any delegation, any Member State, any inclination to underestimate the importance or the achievements of the common agricultural policy. It has found no inclination on the part of any Member State to alter the objectives of that policy as set out in Article 39 of the Treaty. The problem which the mandate group, and now the Foreign Affairs Council, has been tackling is a different one. It is how to achieve the objectives of the agricultural policy as set out in the Treaty in the future, in the real situation which confronts and will

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continue to confront us, having regard to the other policies of the Community, to the present limit on resources and to the prospect of enlargement of the Community.

Finally, there is Chapter III, under which has been placed the problem of preventing the recurrence of unacceptable budgetary situations for any Member State. This too has proved, as everyone expected, an intractable and difficult problem on which ideas have been tossed about but on which again it is clear that much more work needs to be done.

Three things are clear to the Presidency from the contributions which have been made so far to the work of the Council on this third and budgetary chapter. First of all, there are no advocates in the Community of the philosophy of the *juste retour*. Secondly, a problem nevertheless exists under this heading which cannot be solved in the necessary time-scale by changes of policy under Chapters I and II of our work — that is, by changes in the thrust of the non-agricultural and agricultural policies. Thirdly, the problem exists not just for one Member State but for more than one, and this has been made very clear to us in our work. That is to say, there is here a Community problem which requires a Community solution. We are not yet in sight of that solution, of that answer. Nevertheless, the need for an answer has, I think, emerged fairly clearly, for it has proved possible — and this has been a procedural achievement — for the Presidency and for the Council to consider the three chapters which I have mentioned in parallel, accepting that relationship between them.

Now I do not doubt that the Presidency is clear — Lord Carrington emphasized this yesterday to the Council — that a serious situation will arise if answers cannot be found under these three headings. The problems raised in the mandate of 30 May 1980 are not pedestrian or secondary; they go to the heart of the way in which our Community functions. It follows, in our view, that they cannot be left on one side; they cannot be delayed indefinitely; they have to be tackled successfully if our Community is to flourish. Each Member State has its own concerns, and nothing is easier than simply to attend meeting after meeting in order to restate those concerns. We have all attended meetings where that has been done; it is a process which can be indefinitely continued, and it will not produce the results which are necessary.

There needs to be a real effort of political will on the part of Member States with the help of the other Institutions of the Community; because without that effort of political will these problems, instead of getting better, will get worse and the future development of our Community will be at risk. That is why the Presidency is working strenuously this week — as it has in the past, but this week is a particularly significant one — in order to provide the Community and the European Council next week with the basic ideas and the

information which it requires if it is to make the decisive progress which is needed.

I have already referred to the help which we have received in this from the Commission, and I would like to pay tribute to that again. I would like finally to say that Parliament, in this debate and in its future deliberations on this subject, whatever form they take, can play an immensely important part in influencing the discussions and helping us all forward to those decisive acts of political will which are certainly required.

President. — I call the Commission.

Mr O'Kennedy, Member of the Commission. — Mr President, let me say first of all that if I intervene at this stage on behalf of the Commission, it does not mean that the Commission will not be taking note of the various points that will be made by Members of Parliament in the course of the subsequent debate. As Parliament will know, the President of the Commission, who is now with the Council, as the President-in-Office of the Council has indicated, will, in fact, be here during the course of the afternoon. In his intervention he will no doubt be able to take up many of the points made and respond, to the extent that one can, to the various issues raised in the debate.

Mr President, when the Council gave the Commission the mandate in May 1980, it had particularly in mind at that time the balance within the budget of the Community and the net budget contribution of the United Kingdom. One year later in June 1981, when the Commission presented its report on the mandate and when I last addressed Parliament on this issue, the number of unemployed in the European Community had climbed from 6 to 8 million. Since then, within less than six months, that number has now soared to almost 10 million. This escalating graph of human tragedy, these 10 million of our fellow Europeans whom you represent, these demonstrate that the task facing all of us is not just one of budget balance within this Community. It is more, very much more. For the unemployed it is the balance between human dignity and despair. For governments it is the balance between social order and disruption, and for all of us it is the balance between the very ideals of this Community and the failure to act together to realize those ideals.

Last January the Commission decided that the key issue in the mandate which we had been given by the Council was, in fact, the development of Community policies. The first phase of our work ended on 24 June of this year with the publication of the report on the mandate. This report identified the Community's difficulties and opportunities at the present time and indicated the framework within which we would bring forward specific policy proposals.

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The second phase of our work has been taken up with the preparation of these proposals. We have already sent to the Council and to yourselves the following proposals, if I may just outline them briefly at this stage: the fifth medium-term economic policy programme, the policy paper on strengthening the internal market, a paper on a policy for industrial innovation, a policy on scientific and technical research in the European Community, a Community strategy to develop Europe's industry, guidelines for European agriculture, a proposal for a Council regulation amending the European Regional Development Fund, an interim paper on Mediterranean programmes — and here I may say that our commitment to this Parliament was, and still is, to bring forward our definitive paper on this by 1982 — and a paper on job creation indicating the priorities for Community action.

Let me say at this stage that the Commission acknowledges that the original mandate report was not precise in every detail. In fact, it was not intended to be. It was, one might say, clearing the site so that we could make way for the construction of the policies that we have since introduced. Let me also acknowledge that, as Mr Hopper has indicated, within the time available to it since these proposals have been brought forward, Parliament could obviously not have had adequate opportunity to study each in detail, much less see how each fits into the coordinated consistent direction which is required of all of us. I think this is in the nature of the urgency and the timetable that each of us has to contend with. However, as the President-in-Office of the Council and Mr Hopper have rightly indicated, the issues we face in this, broad as they are and particular though some may be, will not begin and end with any particular European Council. On behalf of the Commission I can reiterate that the Commission will be very anxious and ready to continue to cooperate with Parliament in the continuing examination and direction of these policies. I should mention also that in connection with the budget we recently sent to the Council a report on the operation of the Dublin financial mechanism.

I would now propose to give a brief outline of the Commission's approach to the difficulties and opportunities — because wherever there are difficulties there are obligations and opportunities — and of the specific policy proposals which we have brought forward against the background of the motion for a resolution which is before you. I should like to say at the outset that I am familiar with the resolution contained in the excellent report of the Committee on Economic and Monetary Affairs drawn up by your colleague, Mr William Hopper. As the Commission representative I had the pleasure of taking part in the meetings of the Committee on Economic and Monetary Affairs when this report was being drawn up and agreed, as indeed I had the opportunity of doing when the original report on our mandate was prepared by Mr Hopper's predecessor, Mr Giavazzi.

At a time when so many conflicting proposals are being discussed and what sometimes appear to be irreconcilable positions being taken up, I think we should welcome — and I am very pleased to do that — the substantial measure of agreement which has been achieved between the position of Parliament, as expressed in the report before you today, and that of the Commission, as expressed in the policy documents which have been forwarded to you in recent weeks. The report before you is concerned about how the mandate exercise should be interpreted. It says — and I quote from it — 'The primary objective of the mandate should be to promote convergence, that is, harmonization of economic policies designed to achieve better results for all the Member States, and in addition to lessen the economic disparities between these states'. In reply to Mr Hopper's query in his introduction. I want to say right here that of course the Commission supports Parliament in this direction. Indeed our original report, not to mention our subsequent policies, brings this out, I hope, quite clearly.

Your report goes on to say: 'It should not be seen as concerning just one Member State nor interpreted as supporting the narrow concept of *just retour*'. The President-in-Office of the Council has rightly underlined that this is not the approach of the Council either. So we have this common understanding and commitment, and let us work on that basis.

I want to assure you today that the Commission does not, and in my view could not, interpret the mandate in a narrow budgetary sense. We do not accept that the budgetary outcome in terms of net balances should be the primary consideration in evaluating Community policies or in proposing new policies. The gradual elimination, as I have indicated, of disparities between the economic regions of our Community and the closer integration of the economies of the Member States, leading ultimately to what now seems a dim and distant aim, i.e. economic and monetary union, would provide the only lasting solution to any unacceptable situations for any Member State, or indeed for the Community itself by definition.

However, while the economic integration of the Community must continue to provide the dominating impetus in our approach, we recognize as a fact that an individual Member State can and indeed does encounter difficulties. The Commission's view is that we can deal with such difficulties as and when they arise, without allowing ourselves to be distracted from the major task of building the Community. With such an appalling growth in unemployment as I have referred to, it would obviously be unwise, for instance, to force any further decline on the agricultural labour force, which has already been reduced from 20 million to less than 8 million over the last two decades. And our document 'Guidelines for European Agriculture' regards, — and I quote from it — 'any drift from the land as inappropriate' and emphasizes the need — and

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I quote again — 'to increase the share of processed products in our agricultural exports in the interests of job creation'.

It is for this reason, for instance, that our proposals take particular account of the problems faced by small farmers in the Community. For example — and I can only quote some examples although my colleague, Commissioner Dalsager, could give further details if the occasion arose — we are proposing an exemption from the present coresponsibility levy for the first 30 000 kilogrammes of milk delivered by all producers. However, to ensure that this relief for small dairy farmers does not lead to a costly over-expansion in milk output, we have, at the other end of the scale, proposed a special levy on milk from the intensive dairy farmers where production exceeds 15 000 kilogrammes of milk per hectare of forage. The Commission also retains its proposal of the last two years to introduce a supplementary levy which will apply to producers whose milk output exceeds the 0.5% expansion target.

However, the Commission rejects firmly the notion that an artificial ceiling can be placed on the common agricultural policy expenditure. How could the principles of the common agricultural policy be respected, as the European Council directed, with an arbitrary budget ceiling? The Commission has broken new ground in producing a specific paper on job creation. This concentrates on maximizing the employment opportunities for the young, with the admittedly ambitious target of guaranteeing within five years to every young person under the age of 18 education, training or work experience as an alternative to unemployment, and on using to the full the job potential of what I think unfortunately has been all too often ignored within our Member States, namely small and medium-sized enterprises which have so often been frustrated due to lack of access to capital and expertise.

As the paper on Community strategy to develop Europe's industry points out, the loss of Europe's competitiveness has meant a loss of potential employment. Some figures, I think, will demonstrate this. Over the last decade the number of jobs in Europe increased by two million compared with an increase of five million in Japan and nineteen million in the United States of America. I think it has to be acknowledged that the role of the small and medium-sized enterprises in the United States of America and in Japan has been a very major element in increasing those job opportunities, an element which has not been developed, it has to be acknowledged, to the same extent within the Member States of this Community. For that reason the Commission's proposals on industrial strategy, technological innovation and the internal market are geared at creating employment through the establishment of a European industrial continuum. We must, of course, recognize that as well as the obligation to strive to acquire the most

up-to-date technology, we in Europe also have another obligation: we must possess a commitment and a willingness to produce good products at reasonable prices. We must demonstrate a cohesion between social partners that unfortunately is not as evident now as one would wish it to be and is perhaps much more characteristic of our main competitors such as Japan. Even if we had the technologies, I think we would still have to ensure that the basis of our competitiveness would be guaranteed by that level of cohesion that will ensure our competitiveness.

Finally, in this regard, the Commission's proposals on regional policy are geared towards maximizing its impact on employment, particularly in the less-developed regions and those suffering from industrial decline. We propose the abolition of the existing national quotas, as is recommended also by Parliament, and the limiting of the quota section of 80% to those areas of the Community whose level of prosperity is below 75% of the Community average.

Under our proposals the least prosperous regions will not only stand to gain more from the concentrated application of the 80% quota section than from the dispersed application of the original 95%, but in addition would stand to gain considerably from the enlarged non-quota share of 20%. Of course, the enlarged non-quota section will be available particularly to help the regions suffering from the industrial decline which has become, unfortunately, one of the visible aspects of the problems of this Community over the last few years. I am convinced that these changes in the nature and direction of our policies have been made imperative by the worsening employment situation.

A high level of unemployment also makes it imperative that the question of means, the financial resources to give these policies the scope and the impact which they should have, is placed high on the political agenda for decision. These policies cannot be implemented within the artificial limits of the current ceiling on the Community budget. The President of the Commission, when addressing Parliament at the beginning of this year, said we cannot be a Community of 1%. I note also that this lack of financial capacity is the subject of a new motion for a resolution.

In paragraph 5 of the mandate report we state 'There can be no development of Community activities as long as the Community budget remains artificially limited by the current ceiling on its resources.' We conclude — and I quote again — 'We will take the initiatives required to have this constraint removed.' Much attention, for instance, has been given to the use of savings in agricultural expenditure to finance other Community policies. Well, let us look at the record and the facts, in recent times particularly. I think this House will be aware of the fact that agricultural expenditure as a proportion of the total budget has fallen considerably since 1979. In 1979 agriculture

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accounted for 74% of the total budget. This year it has fallen to 64% of the total budget and, as you will be aware, is expected in our proposals for next year, if adopted by Parliament, to fall further to 61% of the total budget. Yet, despite this fall within these number of years, is there really evidence to show that these substantial reductions in agricultural expenditure have led to any significant improvement in other policies? This fact, I think, in itself could be taken into account by those who perhaps mistakenly argue and concentrate on the issue that other policies can be financed and developed purely out of savings from the agricultural budget.

It is not necessary to recall here in this Parliament the problems facing each Member State. You, as representatives of the peoples of this Community, are all too keenly aware of those problems. It is not necessary to remind you of the difficulties which each government faces within its own jurisdiction — a fact, may I say, that is vividly underlined by the change in government with every election in western democracy in the last twelve months.

The European Council which meets in London will therefore be very different in composition from that which issued the mandate in Luxembourg last year. But as governments face obvious difficulties at home, which restrict to a considerable extent their capacity to effect necessary change, the role of the Commission and of Parliament as institutions of the Community becomes even more significant. The degree of consensus between Parliament and the Commission is for that reason very important and encouraging in this context. If the European Council meeting in London, for instance, cannot at this stage, and immediately, reach the same degree of consensus, we can, by conducting the debate in European terms, help them to move towards broader European aims as distinct from the problem of reconciling national interests. It is when the national governments are in difficulties, as undoubtedly they are, that European institutions must particularly assume their responsibility.

The Commission mandate falls into three chapters: general policies other than agriculture, Chapter 1; agriculture, Chapter 2 and the budget, Chapter 3. The Council cannot reach agreement on the broad thrust of the policies. The President-in-Office of the Council has given an up-to-date and accurate assessment of the position so far. There is a certain measure of agreement emerging in relation to Chapter 1, which I think all must welcome, although I do not know obviously how far it goes. As he indicated himself, the going has been rough on Chapter 2, which would not seem to indicate at this stage a measure of agreement. Since, therefore, the Council cannot reach agreement, I think it would be unreasonable to expect the Commission — and no one in this Parliament has insisted on this — to make precise recommendations now on Chapter 3, for we have always said that the three elements are part of an integral position and should not be detached or isolated from one other.

If the Commission and Parliament feel that new policies require new resources — and I believe that they do, though perhaps not immediately — when we demonstrate that these policies can and will work, can the European Council reasonably insist that this question should not even be considered? If a particular Member State has a budget problem — and incidentally figures which we have recently presented to the Council and Parliament show that there are still difficulties here, though different in extent from May of last year — the resolution of that problem must be found in a spirit of Community cohesion and solidarity. But if there were no support from the Council for the policies necessary to strengthen solidarity, then solving the budget problems of one Member State or another might create further budget problems for other Member States. Indeed, the implementation of the Council's own temporary budget solution last year has in a sense created serious problems for another Member State.

If Community solidarity requires that such problems cannot be ignored — and they cannot and must not be — it equally requires that they cannot be solved in isolation. That is the view that has been consistently expressed by Parliament and Commission. We have both rejected the criterion of net budget balance and *juste retour*. They cannot be an end in themselves. They must be seen in the broader context of Community membership, in the broader context of this very Community itself. If we ignore our broad responsibility and concentrate only on individual problems, although we are ready and must tackle these, we not only limit our capacity to solve those individual problems but threaten the cohesion of the Community itself.

If Europe is to be capable of protecting its interests and assuming its responsibilities in the world, and this has been a major preoccupation of this Parliament, then it must first of all be internally cohesive. If, also, the forecasts of the FAO indicate a growing need for food for the hungry, should we really limit our capacity to supply that need? Budget ceilings which require that we adopt such an approach would perhaps place an even lower ceiling on the capacity of this Community itself.

Yes, it has to be acknowledged that the European Council, meeting next week in London, meets at a time of difficulty for each Member State and we cannot wish that fact away, but it must not be seen as a time of crisis for the Community. There is a danger that in overstating the significance of each European Council, one raises undue expectation and risks dramatic disappointment. The European Council has, of course, a role of special significance, but the business of the European Community goes on every day. This Parliament represents all of Europe, every day.

Even the most successful European Council will not resolve the problems which face us once and for all.

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The issues raised in the mandate will continue to require our constant attention and commitment. I believe for that reason that the mandate exercise can mark the beginning of a new renaissance, a new relevance, a new response to the needs of Europe. We have identified the thorny and sensitive issues — and they are both thorny and sensitive — and we have consciously shunned the path of shallow consensus that perhaps has reigned for far too long. We have done more, much more than this — we have, as I have said earlier, brought forward detailed and specific proposals in a range of key areas. The debate is now well under way. Let us move forward together, courageously, unitedly, to bring it to fruition and, in so doing, to create a better and more responsive future for all the peoples of Europe. This, I think, is a worthy objective for this democratically elected parliament and I feel certain it will, Mr President, as in the past, have its full and committed support.

President. — I call the Committee on Regional Policy and Regional Planning.

Mr Travaglini, draftsman of an opinion. — (IT) Mr President, ladies and gentlemen, the Committee on Regional Policy gave a very critical opinion on the Commission's report concerning the Mandate of 30 May, holding that this report, although offering acceptable approaches for development and for the reform of Community policies, is nothing more than a statement of good intentions.

The Committee on Regional Policy re-emphasizes the particular importance of the instruments of regional development policy for achieving the convergence of economies and the expansion of the employment base within the Community, and it calls upon the Commission to present as soon as possible proposals aimed at overcoming the obstacle represented by the present budgetary limits. It fully agrees with the Commission regarding the advisability of concentrating Community resources in the regions most affected by structural insufficiencies or by the decline in certain industrial sectors, and it calls for the implementation of a particularly vigorous development policy for the Mediterranean area. It also asks for the concrete implementation of integrated operations by methods which will ensure the additionality of Community intervention and render it more incisive.

This Parliament has always affirmed the central, if not pre-eminent, character of regional development policy. The critical position of the Committee on Regional Policy has its origin in the fact that once again it has not been possible to ensure for the policies of development and regional balancing that global character repeatedly proclaimed by all the Community institutions, and in the fact that we are persisting in a reductive interpretation which substantially identifies these policies with the function of the Regional Fund.

The considerable efforts of the Commission to give increased dynamism and flexibility to the Fund through the modification of the regulation governing it will not be enough to promote a balance between the various regions of the Community. All Community policies, as Parliament firmly indicated in the resolution of September 1980, must make a decisive contribution to regional development. Instead, we continue to neglect the precise statement of Article 39 of the Treaty concerning the necessity to take into account the particular nature of agricultural activity, which results from natural and structural disparities between the various agricultural regions.

The common transport policy, so important for facilitating the development of the peripheral regions of the Community, is practically non-existent, and it was completely overlooked in the Commission's report. Structural industrial policy is still neglected even though the fifth programme of medium-term economic policy, just proposed by the Commission, indicates some fundamental objectives in this regard. An organic, efficient Community apparatus of production must be created in full awareness of the need for its extension to the weakest regions of the Community, with particular reference to the regions undergoing productive restructuring and reconversion.

Mr President, ladies and gentlemen, a regional policy truly and concretely aimed at pursuing the objective explicitly indicated in the Treaty, 'to ensure harmonious development, reducing disparities between the different regions and the backwardness of the less favoured ones' cannot limit itself to improving the effectiveness of the RDF, although this latter remains the indispensable specific instrument of regional policy.

At the 1972 Summit the Heads of State and Government committed themselves, as is literally stated in the declaration, to finding a Community solution for regional problems. The Community is far from fulfilling a commitment of this scope. Imbalances continue to increase; the gap between the ten richest regions and the ten poorest regions in the Community, as measured by the per capita average gross domestic product, has increased from a ratio of 2.8 to a ratio of 4.3 in eight years. Although up to now we have been able to attribute this to the reduced capacity of the weakest regions to react to the trauma of the economic crisis, and to every country's need to use public funds to defend the competitive ability of the productive structures most apt to respond positively to incentives, to persist in this direction would make recovery impossible and economic integration much more problematic. We may be obliged to witness, with a deep sense of guilt, the irreversible disintegration of the social fabric in the regions which are weakest and hardest hit by the crisis.

President. — I call the Committee on Budgets.

Mr Pfennig, draftsman of an opinion. — (DE) Mr President, ladies and gentlemen, if I understood Commissioner O’Kennedy correctly, the Commission evidently pays far less attention to Parliament’s proposals — in some areas at least — than even the Council does. Parliament has made known its position and put forward proposals in numerous resolutions. Now we again find that the Commission has not yet adequately responded to Parliament’s demands, of which there were essentially five.

Firstly, the agricultural policy should again become predictable. Secondly, Community policies other than the agricultural policy, with or without financial implications, should be extended or launched. Thirdly, the regional policy should be extended to provide the underdeveloped areas of the Community, particularly the Mediterranean region, with specific forms of assistance. Fourthly, a figure should be put to the budget resources needed for non-agricultural policies and these resources should be provided. And fifthly, a general financial mechanism should be developed, with all the Member States subject to the same rules and a guarantee, in the form of a system of financial equalization, that the flows of funds do not need to be corrected or changed to the benefit or detriment of a single Member State.

For Parliament these five demands represent an overall strategy for the revival of the construction of Europe, with the Commission as the motor. But what is the Commission doing to stay in the picture in the budgetary sector at least? The motor is idling at the moment and asking the Council to be so kind as to give it permission to go into first gear. This contention is supported by the paper the Commission published on 26 October of this year as an information note.

This paper does not date back to last year. It is three weeks’ old and concludes with the sentence: ‘In the course of this week the Commission will give the whole budgetary question a thorough examination, so that it can present the European Council with a complete survey of the problems.’ All I can say to that is that we welcome the fact that now at least the Commission intends to make a full analysis. We have, after all, had some surprises in this respect in the past.

However, the Commission’s mandate did go somewhat further. The mandate called on the Commission to submit proposals for solutions to the problems.

Where the budget is concerned, the Commission evidently does not want to solve the problems any more or even to tackle them. To overcome the budgetary problems the Commission merely intends to make temporary corrections if they prove necessary until the development of common policies permits a permanent solution to the budget problems. This means to me, in plain words, that for the time being we are to go on muddling through in the areas of the budget and finance as we have done in the past. Pres-

umably reference will continue to be made to the net contributions, Mr Commissioner. To my great surprise, you yourself used this phrase. This will also mean the continuation of the antipathy felt by the citizens of a number of Member States towards what is alleged to be too expensive a European Community.

This is the budgetary position we had fifteen months ago. We have not taken one step forwards. I do not think that this declaration of partial failure by the Commission has yet registered with most Members of this House. That is hardly surprising, because the Commission has itself said that it intends to inform only the European Council and not the other part of the budgetary authority, Parliament. I just wonder how much longer we are going to put up with this.

To summarize, after fifteen months of deliberations the Commission intends to reform the agricultural policy. Significant proposals to this effect have been made. New Community policies are to be developed, particularly in areas of research, energy, development, industry, training and industrial innovation. There are also Commission proposals, if I am correctly informed, as regards the programme for the Mediterranean and job creation, a number of vague hints on industrial strategy and a number of preliminary ideas on the energy sector.

In addition, where the budget and finances are concerned, the Commission intends to make no more than the famous temporary corrections, which means that a reform of the Community’s budget and financial policy is being shelved for the foreseeable future at least. You are wrong, Commissioner O’Kennedy, if you believe we consider this to be the correct course. We have repeatedly called for exactly the opposite. This contradicts what we have demanded, and it even contradicts what is occupying the Council at present, if I understood the President of the Council correctly. We want financial reform accompanied by the development of new Community policies because the two can only be achieved together. Tell me, for example, how you intend to finance a Mediterranean programme if it is not even clear what it will cost and where the money will come from. Just tell me how you intend to give Regional Fund resources only to substandard areas of the Community in future, if at the same time you are going to compensate one Member State with Regional Fund resources because it is allegedly in an unacceptable situation. Just tell me how that is going to work.

What are we going to do in the future if, for example, three Member States, as the Council President has just implied, maintain they are in an unacceptable situation? Where are the rules which are used to determine what is an unacceptable situation? We shall not make any progress like this in the long term. I consider it unrealistic for the Commission simply to push the budget problems aside and to say: ‘we are not going to look into this until everything else has been settled.’

Pfennig

The Commission should think about this again very carefully, and we of Parliament, I believe, should do the same. If we discuss this subject again next year, we shall have to see whether or not it is necessary for us to draw the logical conclusions from the Commission's attitude.

IN THE CHAIR: MR FRIEDRICH

Vice-President

President. — I call the Committee on Energy and Research.

Mrs Walz, draftsman of an opinion. — (DE) Mr President, the Committee on Energy and Research requested the committee responsible to incorporate the following paragraph in its motion for a resolution:

'The European Parliament regrets the lack of genuine proposals for specific action — including an investment strategy — in energy and research, which would have the advantage of ensuring that an increased Community contribution would have a positive effect on employment, economic development, environmental protection and the balance of payment.'

The situation has changed slightly in that the Commission has now submitted fairly good analyses of the energy and research sector, which, if converted into regulations and directives rather than being left as recommendations and directives, whose implementation the Commission intends to monitor — the question is how — might well form the basis of a Community energy policy and not simply of an energy strategy, 'strategy' being a fashionable word that you cannot do much with. The document entitled 'Development of an energy strategy for the Community' says that it consists of coordinated measures and presupposes collective discipline. That too is such a fine phrase. But how little there is of this collective discipline can easily be seen from the variation in the efforts so far made by the individual Member States to save oil or from the failure so far even to agree on something like comparable building specifications for heat insulation, even though a reduction in room temperature by one degree during the winter months produces a saving of around 6% in heating costs.

Dependence on oil has become one of the great economic and political dangers facing our Community. Although we have been able to reduce this dependence from about 64% before 1973 to about 50% today, which shows what a price that covers costs can do — albeit at the expense of a recession — if we do not invest an additional DM 1 200 000 m by

1990, the additional nuclear energy required cannot be generated, coal production cannot be increased, alternative energies cannot be developed for practical use and the efficiency of the energies used cannot be sufficiently improved. This is a challenge to the Council to act together at last and to provide the necessary funds, rather than always reducing the resources we call for and reducing them in an unreasonable way, and it is also a challenge to the Commission to translate its analyses into practical proposals for directives.

President. — I call the Committee on Agriculture.

Mr Delatte, draftsman of an opinion. — (FR) Mr President, today's debate is one of the most important to have been held in this Parliament since its election by universal suffrage.

By its mandate of 30 May the Council of Ministers in effect gave the Commission the opportunity to assess the future prospects for the Community. It is intended that the mandate should be subjected to an overall critical examination, and I have accordingly been charged by the Committee on Agriculture with presenting to you its opinion on this question. In making an overall assessment one has to look at all the problems involved, not forgetting any correlations, but equally one has to avoid confusing things by imagining that a solution which is valid for one problem is necessarily valid for the rest. In its report the Commission is to some extent guilty of precisely such an error. It seems to think that lowering the rate of growth in agricultural expenditure would provide the magic solution, readjust the United Kingdom's budget contribution and allows scope for other common activities to be pursued. Such a thesis is unrealistic, for while there may be links between them, these problems are largely independent of each other, as indeed the Committee on Agriculture has been at pains to show.

It is true that the conditions imposed by the Council of Ministers on the Commission severely limited the range of possible responses to the mandate of 30 May, which calls on the Commission to promote new common policies without tampering with the financial responsibility of each of the Member States and without raising the ceiling on the Community's own resources. But it was also made quite clear, and rightly so, that, as far as agriculture is concerned, the three principles of the common agricultural policy were not to be called into question.

The question to which the Commission has tried to give a reply is in reality this: How can the agricultural share of the budget be reduced without calling into question the three fundamental principles of the common agricultural policy? Whilst the Committee on Agriculture supports any measure designed to rationalize certain items of agricultural expenditure, it is not prepared to go along with the Commission in any

Delatte

operation whose purpose is to strip the one and only truly developed policy we have in order to launch other policies or to correct the budget deficit of one of the Member States. There was really no need to get into such an impasse, particularly as a moment's reflection would have shown that, on the one hand, the scope of any new policies will necessarily be limited so long as the present ceiling on own resources remains in place and, on the other hand, the problem posed by the United Kingdom cannot really be resolved unless this ceiling is broken and unless the country in question continues to redirect some of its trade towards the Community.

That is why, even though they are interconnected, the problems of the United Kingdom, common policies and adjusting the agricultural policy require their own solutions. That is why, moreover, the Committee on Agriculture is strongly recommending, in the certainty that it makes good sense, the removal of the ceiling on own resources. It is also strongly opposed to the application of the principle of a fair return, believing instead in the idea of Community solidarity, which should work in the interests of the less prosperous regions. Fair return is inconsistent with the principles of a Community, whereas solidarity between member countries not only respects them but also enriches them. And here I fully agree with what Mr O'Kennedy was saying a little while ago.

In any event, application of fair return would be nonsense, for many of the advantages of belonging to the Community are not quantifiable. I am thinking in particular of the reduced customs duties, the monetary compensatory amounts, the competition, the reciprocal markets, the multiplier effects of growth, etc. However, the Committee on Agriculture in its discussions concentrated its attention on the common agricultural policy, but before laying down guidelines for its future development it was felt necessary to clear up several misconceptions.

First misconception, which is beginning to be reconsidered gradually: the true cost of this policy. It would be very satisfying to see the Committee on Budgets publicly acknowledge the savings achieved in the agricultural sector since three years ago. Not a parliamentary session nor a budgetary session goes by without an announcement of some downward adjustment in agricultural expenditure. And I believe we have the Commission, especially DG VI, to thank for the changes it has introduced in several agricultural markets, which are responsible for this reduced expenditure. This should encourage it to pursue and adopt other vigorous measures to develop agriculture, in order to reduce as much as possible our agri-foodstuffs deficit.

Second misconception: the reference to world prices and to prices obtaining in the competing countries. Such reference is unacceptable, since world prices are somewhat artificial. Everyone knows, and the

Commission's report bears this out, that every country in the world subsidizes its agriculture.

Third misconception, which your Committee on Agriculture rejects along with the other two: the introduction of direct income aids. Whether financed by the Member State or by the Community, the system has a double disadvantage. It is financially ruinous and psychologically ill-conceived, and our committee would much prefer a price policy fixed on the basis of objective methods and coupled with more appropriate regional and structural measures.

Let me now move on to our proposals. Our committee has put forward several, and these may be conveniently grouped under three main headings. Firstly, encourage growth in agricultural production, for growth is necessary, which automatically excludes any solution based on disincentive formulae such as degressive prices. Secondly, improve the European trading balance in agri-foodstuffs, which is still in deficit. Thirdly, strengthen regional policy and the agricultural and rural structures policy in the less-favoured areas, in mountain and hill areas and in the Mediterranean regions. As regards these latter regions, our committee stresses that the impact of structural funds will remain illusory without a substantial strengthening of the market regulations for Mediterranean product lines.

Mr President, I have tried to give an indication of the very great importance of the debates of Friday, 30 May. It is now evident that there is a great deal at stake, as can best be summed up in these two vital questions: Will the second-generation Europe be built on or against the first? Does she or does she not want to play a central role between the rich countries and the poor countries, between the countries that are well off and those that are starving? In order to answer these fundamental questions we have ultimately to decide, calmly and objectively, on how to reform the common agricultural policy.

President. — I call the Committee on Economic and Monetary Affairs.

Mr Moreau, chairman of the Committee on Economic and Monetary Affairs. — (FR) Mr President, this is the second debate that the European Parliament has arranged on the mandate of 30 May.

Parliament's wish was that the review of this mandate should be used as an opportunity to discuss and decide on the nature, rules and policies of the Community. It expressed this wish at the time of the adoption of the Giavazzi and Pfennig reports. For its part the Commission indicated its views on the mandate of 30 May in its text of 24 June 1981, indicating also what response it was intending to submit for approval by the Council.

Moreau

The Committee on Economic and Monetary Affairs drafted a report on the mandate based on the text of 24 June. Well, today we find ourselves in a paradoxical situation.

In effect, the Commission drafted and adopted a series of texts, most of which have only just become available. Parliament is thus being called upon to give an opinion on a report which obviously does not embody the Commission's new proposals, even if some of these proposals may have been promised in the June text. There is therefore a discrepancy between what we have been told by the Commission's representative and the work done by the Committee on Economic and Monetary Affairs. As a result this debate has taken on a certain degree of unreality. All the same, there was no choice but to allow the debate to go ahead, in view of the fact that the European Council is to consider the matter at the end of November. We feel that Parliament must give a clear opinion on Mr Hopper's text, on the understanding that it will later have to go back over the mandate as a whole, as it stands at the present time.

I should like now to say a few words about the way we work. What I have to say does not concern only Parliament but all the institutions. In point of fact, many of our debates in recent months and years have tended to lose their interest and their impact by being spread over a long period of time. I consider that a change in our working methods is urgently necessary if we want our debates to be understood and followed by public opinion. There is also another paradox — if one sticks to the letter and the spirit of the European Convention — in the fact that the Commission should have needed a mandate from the Council in order to act, when in fact the initiative had to come from it — the Commission. There is food for thought there for Parliament and the Commission, as regards both the procedure followed and the events behind the European Council's decision.

The mandate of 30 May ought to be the opportunity for this Parliament to decide on how it intends that the construction of our Community should proceed.

Central to this process of integration are two key concepts: convergence and solidarity. Unless we are capable of making them a reality now, the Community's whole future is likely to be seriously threatened. In the present critical situation it is up to us to take the initiative on the various policies that need to be implemented: economic policies, industrial, energy and research policies, social and regional policies.

The Commission's proposals offer a basis for further discussion. We trust that the debate between the various institutions will enable us to advance in the right direction and that we shall not be satisfied with a few pious wishes without making some provision in the budget.

We believe that progress should be made on all three aspects of the mandate. The Community must face up to the challenges of today: the industrial challenge and the challenge of unemployment. This presupposes that initiatives are taken in the field of growth technologies, in research, in innovation, in industrial conversion and in energy. The attainment of the internal market is an important objective, as is the need to lay down a major policy on foreign trade. However, this essential aspect could not be dealt with in isolation, being linked with the common agricultural policy and with the restructuring of the Community budget. In my view, that is the only way open to us if we wish to achieve something useful.

The year 1982 is perhaps a decisive one for the Community. One must hope that each institution will know how to meet its responsibilities. We hope, for our part, that Parliament will manage to make its voice heard loud and clear, so that the Community can contribute to the solution of problems resulting from the present crisis and the industrial revolution we are experiencing today. But this means that these problems will have to be looked at as a whole, and that comprehensive solutions will have to be found and not just a few partial remedies. Then, and only then, will we have shown ourselves capable of drawing up the kind of response that the peoples of Europe expect, for any approach which might tend to isolate the problems can only result in failure and the withdrawal of everyone back into concentrating on their own problems and, in consequence, a weakening of everyone. Now, I believe the mandate offers us an opportunity to tell the people of Europe that there really is hope.

President. — I call the Committee on Budgets.

Mr Lange, chairman of the Committee on Budgets. — (DE) Mr President, ladies and gentlemen, I should like to begin by underlining the criticism voiced by Mr Hopper at the beginning of his statement. He repeated exactly what I said 14 days ago during the first reading of the 1982 budget, that this Parliament has not been able to decide on its position on the further development of the Community as it really should have done. I can therefore only appeal to all the committees once again to do what is necessary in their specific areas, regardless of what information or proposals the Commission puts before us.

To the Commission I must say that I really feel sorry for it. As you will recall, Mr O'Kennedy, in the Committee on Budgets when we were first discussing this subject, we told the Commission's representative, who has talked about intentions rather than practical measures on the Commission's behalf again today, that the Commission has an opportunity. But I have the impression that the Commission has not seized this opportunity. It is not acting like the body it is supposed to be under the Treaty or wants to be; it is just drifting along.

Lange

The Commission has also adopted tactics which make it extremely difficult for Parliament to do its duty, just as it makes it difficult for the Council to do its duty. Surely we can expect the Commission — and it has itself magnanimously stated that it regards the mandate within a broader framework than the Council, and rightly so, as we pointed out at the time — to submit its proposals as an ensemble and not to adopt step-by-step tactics. By so doing, it is preventing others from completely understanding its proposals. But perhaps the conclusion to be drawn is that the Commission itself does not know exactly what its proposals mean in every respect.

I can only recommend the Council not to listen to the Commission too closely in this context but to decide for itself what the Community can do on its own tomorrow or the day after and what the Member States can do in conjunction with the Community. When we have a review of this kind — which should also take in the three areas of general non-agricultural policy, agricultural policy and financial or budget policy — we shall be able to say what resources we need to meet the various political requirements that we can recognize jointly and as a Community.

The Commission is in the process of losing its prestige in that it is repeatedly making estimates which, it must be said, are not correct, as it must itself then admit.

The question is therefore whether the Commission makes these estimates as a collective body. How were the forecasts relating to Britain's situation or the situation of the Federal Republic of Germany made? What premises were adopted? It is gradually becoming something of a scandal the way calculations are made here and are then constantly found to contradict each other. It is after all essential that we should be able to obtain a clear picture, that there should be no embellishment in anybody's favour and similarly that the picture should not be painted blacker than it really is to benefit one country or another. We must have a clear picture. We must be able to see what is happening, and the Commission must realize that.

The Commission has not kept its word. We called on the Commission to put forward the proposals for the 1982 budgetary procedure early enough for them to be incorporated in the 1982 budget. It has not done so. What we now have here does not allow us to draw any conclusions on budgetary policy or budgetary legislation, not even in connection with the second reading of the budget. Neither we nor the Council can enter into the budget anything like a certain financial order of magnitude. All we can do is reinstate what we want and so take refuge in Chapter 100.

Hence my urgent request to the Commission to put forward general proposals, a general review as soon as possible, because that is its duty as the Community's quasi-executive, and if you fail to do so, gentlemen of the Commission, something which we may all find unpleasant will probably have to be done.

The calculations which repeatedly lead to different conclusions must be stopped. Incontestable estimates must be made, otherwise we shall not be able to believe anything else that is put before us, we shall not be able to rely on anything any more. If we reach that stage, there will be not further basis for trust. There will then be no point in saying yet again that the Commission and Parliament must cooperate and — as the saying goes — become natural allies. I am now repeating what I have already said many, many times before. There can be no natural alliance between the institutions, because they all have their specific tasks to perform under the Treaties, but they have to perform them for the Community and not in the interests of just one institution.

Gentlemen of the Commission, I ask you to note this. It is all meant very seriously. Try to comply with Parliament's requests, and I call on the Council to do the same. Let us not be confused by the varying proposals and conflicting views of the Commission, for what I miss is a uniform concept. It does not exist, and this is the first task for the Commission as the Community's quasi-executive, this being in the interests of the continued development of the Community. Only then, Mr O'Kennedy, will it be possible to achieve what you have stated on the Commission's behalf to be politically desirable. Until that is the case, we shall simply be muddling through, as another Member has already said, and this muddling through has become intolerable. That must be stopped, and an overall concept must be developed on which all three institutions can then agree as a means of achieving the further development of the Community in the interests of its peoples.

(Applause)

President. — I call the Socialist Group.

Mr Dankert. — *(NL)* Mr President, I should like to begin with a few remarks of a procedural nature. As the chairman of the Committee on Economic and Monetary Affairs, Mr Moreau, has just pointed out, we are in fact discussing a document which is partly out-of-date because the Commission has put forward a number of proposals which, more or less at least, give practical shape to the proposals of 24 June.

It is extremely different to apply our own procedures in reacting to the report of 24 June, because we would then be lagging behind. The best thing, it seems to me, is not to vote at all on the resolution and to take the report for what it is, an interim report, although I completely agree with Mr Hopper that we must ensure that there is coordination in the overall question of the mandate in this Parliament, because without coordination there is a danger of total disintegration.

Mr President, I should now like to turn specifically to the third 'window' of the Commission's mandate, the

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financial problem, which has not yet been covered. This is not to say that I do not consider the first and second windows important. I feel that the proposals that have so far been put forward go a long way towards meeting the requests made by Parliament in July and also towards what my group wants. In this respect, I do not think it is necessary at the moment to send the Commission packing. But this does not mean that we shall be immediately declaring ourselves enthusiastic supporters of the proposals that have already been made. In particular, the proposals on the agricultural policy and those on the regional policy go a long way towards what we wanted and what was stated in the Plumb resolution, for example. But there are also proposals which leave more questions open than they provide answers. I would refer in particular to the proposals relating to the social policy, to the extent that such proposals have been submitted, and also to the considerable lack of clarity as regards the Mediterranean policy the Commission says it wants to pursue.

But, as I have said, I want to concentrate on the aspect that is missing, the aspect that concerns the budget. When I started looking at the text at the weekend, I hoped that the meeting the Commission was having somewhere in Belgium would result in this Parliament being presented today with at least rather more clear-cut views on the problems of quantification, the problems connected with the British contribution and so on. But we have heard from Mr O'Kennedy that this will not be the case, that it is the Commission's view that progress must first be made with the first and second aspects before there can be any discussion on the third. I find that a very strange view, especially as the Commission itself constantly says that the problems covered by the mandate must be regarded as a whole. But that cannot be the case if a crucial part is missing.

Acceptance of the Commission's contention — and I accept this — that the mandate must be interpreted more widely than the Council gave to understand on 30 May 1980 cannot be taken to mean that the mandate of 30 May 1980 must be completely ignored, which is what the Commission is doing at the moment. The Commission is completely disregarding these problems and is not committing itself. As the chairman of the Committee on Budgets has already said, this does not help anyone, not the Council, not Parliament, not, I feel, the Commission itself.

It is the absence of this quantification as regards major aspects of policy from the proposals that have already been put forward that makes the budget debate, the heart of the matter, so difficult today. I have the impression that the Commission is slowly changing its own strategy. In July I protested against the emphasis so irresponsibly placed by the Commission on breaking through the 1% VAT limit. My group has always taken the view that breaking through the VAT ceiling must be subject to a number of conditions, to

the development of policy in the Community. Now the Commission is putting forward proposals for new initiatives with regard to VAT. Mr O'Kennedy said that initiatives will be taken when they are needed. I find that extremely vague for a Commission which bears responsibility for the development of Community policy in the medium term. Mr Dalsager is making proposals which will be implemented up to 1988. I can well imagine that a longer period must be considered in this respect. But I do not understand how the Commission can shirk its responsibility with respect to the financial part, by not talking about it anywhere, by leaving it completely in the air.

I am therefore afraid that the Commission does not dare to accept its political responsibility, having found out that the situation is so difficult. How difficult the situation is became clear to me this morning as I was reading a report in the *Financial Times* on Lord Carrington, in which such terms as 'total deadlock', 'the day of fruitless debate' — that was yesterday — and 'yawning gaps' were used. If you think about it, I believe the Commission has an additional responsibility to bear if it is not aiming at a clearly structured financing package.

Mr President, I consider this to be an extremely dangerous game to play, because it means that, instead of being a lever for restructuring, which is what it should be, the 1% limit is in danger of becoming an effective brake on restructuring. As has already been said here, by Mr Pfennig in particular, the whole thing will then, in fact, lose a good deal of its relevance. If that is the case, these proposals for a new policy are very fine, but they will be of far less practical significance than they themselves suggest, and that is the problem I face from a political point of view.

In addition, it remains to be seen whether the Community will be better able to protect Spanish and Portuguese democracy after 1 January 1984 without breaking through the 1% barrier than NATO has protected Turkish and Greek democracy in the past.

If there is one thing that is unclear, it is surely the question of what the Commission intends to do about the present VAT limit and when and in what context we can expect proposals on this subject, for if these proposals are not put forward, I cannot see what point there is in the partial proposals now made by the Commission on numerous areas.

I can only conclude for the time being that the Commission will not consider the VAT ceiling until it comes down. And then it will be too late, I feel, because it will automatically mean the Council ensuring that the Mediterranean countries do not catch up, that the fight against youth unemployment at Community level does not begin and above all that we shall have to live for very many years with an arrangement for the British contribution which is not on the whole compatible with the principle of the

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Community's own resources. Mr President, we must see to it that arrangements like that made for the British are abandoned as quickly as possible. There must be an indication of a deadline, not only because they conflict with the principle of own resources, but — and this is far more serious — because they undermine the Community as such and because they block progress. The Commissioner has just referred to the German problem to which the British arrangement has given rise.

The Commission is under an obligation to make it clear before the meeting of the European Council that there are ways in the medium term of solving the problems facing Member States whose GDP is below the average gross Community product per capita of the population. I have the impression that the new agricultural proposals will go a long way, but I do not really understand the significance of the Mediterranean package or what the costs it involves will be. That is, after all, a question of very great political importance.

I have the impression that the Commission is aiming at gradually reducing agriculture's share of the budget to around 60%, which we were not far off this year, and that it sees the problem of the British contribution — as Mr Lange has already said — in a completely different light from Mrs Thatcher after the trend in costs over the period 1975 to 1979. If that is so, if that is what the Commission is thinking — and again there is the uncertainty about the Mediterranean package, which causes me some concern — I am afraid the Commission will not be doing anything for the time being to break through the 1% VAT barrier. I therefore doubt whether enough money can be found within the margins we shall then still have for new regional, social and Mediterranean policies to have a macroeconomic impact. This means, in fact, that we shall continue to spend our budgetary resources wrongly. I have the impression that a few steps can be taken in the right direction within the 1% VAT margin if the agricultural policy is reformed relatively quickly and if the Commission's proposal for a regulation on the Regional Fund is adopted by the ten Member States. But with Spain and Portugal as Member States from January 1984 and with the agricultural policy to be implemented between now and 1988, there is no way in which this 1% will be enough for the population of the backward areas of the Community to have the chance of catching up which the Commission has also advocated.

What is to be done about the rich Member States, it is less easy to say, because there is only one way open to them under the budget, and that is to give. Under the Commission's proposals France, the Netherlands, Denmark and the Federal Republic will be doing far less giving through the new cereals and dairy policies as a result of the elimination of the quotas for the regional policy and also perhaps, but this is not yet absolutely clear, for the social policy, and also as a

result of their contribution to the Mediterranean policy, to which I cannot, however, put a figure. It seems that France will receive some compensation through the Mediterranean policy, but the Netherlands and Denmark will undoubtedly change from being net recipients to net payers, while the net payer which is already complaining, the Federal Republic, will be making an even greater net payment through the loss of some agricultural revenue. The call is already going out for an agreement with the Federal Republic on a ceiling on its net contribution. I should like to warn against such action. For one thing, the ceiling is already there, the present ceiling on own resources, the 1% of VAT. If new ceilings are created under that ceiling, we shall be destroying one of the most important achievements of the Community, own resources.

Furthermore, a ceiling on the expenditure of one Member State acts, of course, as a ceiling on the revenue of another and can only contribute to a further disintegration of the Community. That will not help to eliminate the Federal Republic's financial problems. I recognize these problems, of course. But the solution to these problems will not be found in the budget. I therefore welcome the fact that the Commission has taken a broader view of its mandate. The solution lies in the restoration of the free internal market, in the fight against scarcely concealed protectionism that is still rampant in the Community. The Commission has much greater powers over competition and free movement in the internal market than it has over the budget and own resources. And I feel the Commission must use these powers. If it does not take sufficient advantage of them, it will block some of the progress being made in restructuring. The Commission has therefore rightly interpreted its task as being more extensive than the Council intended, but it is still a pity that it has left us with this uncertainty about the question of whether it feels that, given the 1% VAT limit set by the Council, there is the least prospect of there being no further unacceptable situations and that the British problem can be solved within the specified period. In June the Commission document seemed to be a dream. But I must now say that the absence of any practical proposals now makes the mandate look more like an illusion.

(Applause)

President. — I call the Group of the European People's Party (Christian-Democratic Group).

Mr Klepsch. — *(DE)* Ladies and gentlemen, we are now making the third attempt since the enlargement of the Community in 1973 to get to grips with the decisions that have to be taken if the Community is to continue to develop. At a series of summit conferences in the past numerous decisions were taken on what had to be done and the hope was expressed that action

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be taken. But with the exception of the direct elections to the European Parliament, none of these great proclamations has been followed by deeds. Then there was the mandate given to Leo Tindemans to take stock of the Community and submit a forward-looking concept, and this was done with the participation of all concerned and in particular of the organs of the Community. The whole thing then petered out in declarations and bureaucratic conventicles.

The second attempt consisted in instructing the Three Wise Men — unlike Tindemans, equipped with a limited mandate — to draw up proposals for solutions. Again, all we had was deliberations. When the pressure of public opinion and of political forces became stronger in connection with and following the first direct elections to the European Parliament, the Council gave the Commission the mandate of 30 May, with which this House is very familiar. Again we faced the question if whether action is at last to be taken or whether the Community is to continue to make time on the central issues. There is a danger that the practice of postponing essential decisions is jeopardizing the very existence of the Community.

Today's debate on the mandate therefore prompts me to make a few fundamental remarks on the Community. They seem particularly appropriate to me because Parliament must speak on the eve of the summit and define its position on central, topical and forward-looking issues.

On 27 and 28 November in London we shall then see whether we are to go on as before in the European Community or whether European decisions are at last taken. It will become clear whether the period of the self-imposed blockade, immobility, stagnation and playing games is coming to an end. Our memories of the Maastricht summit at least are disappointing. We should like to be able to applaud Prime Minister Thatcher in December for reporting that practical moves have been made to implement the decisions taken at the forthcoming Community summit in London.

The omens in this respect are not bad in themselves. The Commission — and I am grateful to it for this — has complied with the request made by Parliament in June and submitted quite a number of detailed proposals to add to its report on the mandate. We look forward to seeing how the Council deals with the Commission's proposals and what decisions it intends to take. I shall be putting a number of specific questions on this at the end of my statement.

I should first mention that the EPP Group wishes to see the Council able to function, not progressively tearing itself apart, and we offer our cooperation in every respect. But we shall not avoid confrontation if Parliament's and the Commission's ideas are shelved, as has been done in the past. Let it be noted in the capitals if the Community that this Parliament is self-

confident, that it has been legitimized by elections and — I should like to assure you, now that the first half of the life of this Parliament is over — that we do not want to and do not intend to face the citizens of the European Community with empty hands at the next direct elections in 1984.

The organs of the Community — the Council, Commission and Parliament — must be able to play to the full and continue to develop their prescribed roles. This presupposes close cooperation among them in the interests of the European Community, because the citizens of Europe are today asking: what value does this Community still have? All they hear about it is adverse comment. Why is it not capable of taking action to tackle the urgent problems that exist? Against this background, I would point out that the budget debate, which is of cardinal importance for the development of the European Community, is being made more difficult by a dangerous myth. I refer to the talk about net payments. The Federal German Government has been particularly forceful on this, and unfortunately services of the Commission have also allowed themselves to be enticed on to this slippery path. It is fundamentally wrong, prevents a critical debate on the Community's 1982 budget because it distracts attention to subsidiary matters, turn the European Community into the scapegoat for unsuccessful national financial policies and from the outset prevents reasonable treatment of the subject of an increase in the Community's own resources. This argument is in essence anti-European because it opposes the transfer of greater responsibility to the Community. It must be frankly said that this erroneous approach ignores four aspects.

Firstly, the Community budget is financed solely from the Community's own revenue and not from the national budgets. This revenue stems from customs duties, levies and the 1% of value added tax to which the Community is entitled under the Treaty.

Secondly, the European Community's budget amounts to only $\frac{1}{200}$, or $\frac{1}{2}\%$, of Europe's gross national product. In contrast, over 15% of the gross national product of my own country is included in the national budget.

Thirdly, expenditure under the European Community's budgets has always been covered by revenue, and that will be the case this year and again next year. The 1982 budget will also be in balance, which means that a very thrifty and responsible approach has been adopted. Faced with growing debts, the Finance Ministers of our own countries can only dream of such budgets. Since we are so thrifty that we do not even spend all our own revenue, the European Community offers the national budgets the advantage of there always being something left over from the 1% of value added tax. At national level attempts are made to make it seem as if the European Community or its budget is a bottomless bit into which payments

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constantly have to be made from the national budgets. That is quite wrong. The opposite is the case.

Fourthly, dividing the Community into supposed net payers and net recipients represents an attempt to put a figure to what are ultimately unquantifiable advantages and disadvantages. This is to ignore completely reality and the opportunities the Member States — whether they incline more to the industrial or to the agricultural — can derive from the common market. We shall therefore oppose the talk about net payments until this term has been dropped from the vocabulary of the Council and Commission once and for all. Its continued use would suffocate the development of the Community. We call on the London summit conference to make the Council a working body again. We expect decisions to be taken again and national interests not to be added up — if at all — to produce the smallest common denominator. Until the decision-making machinery has been restored to proper working order, any announcement about new European initiatives will be a complete waste of breath.

The EPP Group therefore expects the summit at least to revert to the Luxembourg compromise, as it is known, and an end to be put to the present excessive use of the unanimity principle. When this principle was laid down, de Gaulle, as one of its authors, quite obviously assumed that vital interests would result in its being applied twice or three times a year and not — as is at present the case — that every issue would be subject to this principle. This must definitely stop immediately, otherwise we shall continue to have the self-imposed blockade and the degeneration of the Council where its European function is concerned.

But that too is only an intermediate step because the goal must, of course, be the full application of the voting procedure for which the Treaties of Rome provide. But we do not want to overtax the ability of the Heads of State or Government to take decisions. The Commission has diligently and meticulously supplemented its structural report — as it itself describes it — on the mandate of 30 May with a number of practical proposals. Others are to follow. It has thus presented the Council with a compendium of detailed proposals and possible solutions with respect to very important areas. It is now for the Council to decide. This is true of the adjustment of the common agricultural policy, of the further development of other Community policies, for example, the strategy for the energy sector, industrial innovation, scientific and technical research, regional policy guidelines and priorities and employment policy and of the questions regarding the adjustment of the budget.

The question is what happens now, which in plain terms means: after six years of discussing strategy, are we at last going to see conclusions drawn? We expect clear political options. The European citizen is no longer willing to be told why one concept after another, developed with such diligence, should ulti-

mately wind up in the European documentation centres. It would indeed be more than unsatisfactory if the London summit turned out to be nothing more than a repetition of two previous, humiliating experiences.

We have a number of questions to put to the Council, and we expect them to be answered by Prime Minister Thatcher during the visit already announced and anticipated by us with considerable gratitude. Those attending the summit will have before them a number of documents containing numerous proposals from the Commission, proposals which take account of the goal of convergence through the restructuring of Community policy and also the goal of general economic recovery. Thus the Commission has submitted to the Council a programme setting out priorities for Community action to create jobs. We shall be asking what decisions the summit has taken on this proposal in view of the 10 million people who are unemployed. Or will the Council of Ministers be so cynical afterwards as not to take a decision on these proposals?

Will the summit do its duty and endorse the guidelines laid down for a Community strategy on industrial innovation? How else are unemployment, recession in Europe and the losses of competitive position to be overcome? What proposals in the area of regional policy will the summit take home? The regional policy must be seen as a fundamental aspect of a major Community effort, and the Commission's proposals for the relevant new guidelines and priorities see it as such.

Is the Council of Ministers prepared to revive the principle of solidarity in the Community by creating a financial constitution, or will it allow each Member State to export its own national economic problems to the Community in order to safeguard its own advantages? The Council will have to state its views on the proposals are also designed to preserve jobs. Will the internal market, because more than ever before these proposals are also designed to preserve jobs. Will the Council be able to respond to the Commission's proposals for the development of a Community energy strategy? What decision will it take on Parliament's and the Commission's recommendations regarding the concentration of investments on new technologies geared to increasing productivity and areas of immediate Community priority, such as development and research or invention and innovation?

We are glad that Prime Minister Thatcher will be making a statement before the European Parliament in December. We hope that she will answer our questions and indicate practical European prospects. But I should like to make one thing quite clear: we do not intend to direct the discussion at the Commission alone but to remind those responsible for the mandate of 30 May of their duty. We have no intention of relieving the Council of its responsibility to the citi-

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zens of the European Community. We expect action at last to be taken at European level.

(Applause)

(The sitting was suspended at 1 p.m. and resumed at 3 p.m.)

IN THE CHAIR: MR VANDEWIELE

Vice-President

4. Membership of committees

(The President read out to the House the requests submitted by the Socialist Group, the Communist and Allies Group and the non-attached Members for the appointment of certain Greek Members to the various committees)¹

President. — I call Mr Romualdi.

Mr Romualdi. — *(IT)* Mr President, as one of those responsible for the secretariat of the non-attached Members, I should like to know which of the newly-elected Greek Members belong to the non-attached group. Unless this can be established, there will be great confusion, in that we will have no idea of the membership of our grouping nor how its members are divided over the various committees.

President. — Mr Romualdi, several other groups have the same problem. Many of the Greek Members have not yet made their choice and remain for the moment non-attached. I would suggest that you do not press the point but that you get in touch with the Bureau on this matter.

5. Mandate of 30 May 1980 (continuation)

President. — The next item is the continuation of the debate on Mr Hopper's interim report. However, I may already inform the House at this point that at the end of the debate we shall have to take a decision on a request from the chairmen of the political groups that this report be referred back to committee, pursuant to Rule 85 of the Rules of Procedure.

Do you object to this, Mr Patterson?

Mr Patterson. — I do object to this use of Rule 85 by an announcement from the chair. It seems to me that the correct procedure is for somebody from the floor to move the referral under Rule 85 and to give the reasons for doing so. Could that be done, please?

President. — That will be done at the end of the debate.

I call the European Democratic Group.

Mr Purvis. — Mr President, on behalf of this group I would like to express our great regret that there is some proposal that this should be referred to committee. We feel that Parliament should be giving an opinion on the Commission document of 24 June and should vote on the Hopper report on it. Whatever our opinions may be of the substance of their proposals, the Commission have approached this mammoth and fundamental exercise in a rational manner. With their document of 24 June, they laid before us the overall thrust of their thinking. It lays out the main areas which they have to tackle and gives us an idea of the way they intend to tackle them, and it sets all this in the broad context of the Community's future direction. This mandate exercise is a major achievement for this Parliament, for it was this Parliament that had been pressing ever since we first came here in June 1979 for just such an exercise. Certainly the Commission has to fill out the various policy areas, and this it has proceeded to do with the dozen or so documents that have now come forward. That is stage two of the exercise, and stage three will be the implementing directives. We should be concerned to influence deliberations at the European Council later this month, and we should not be side-tracked from expressing our opinion with full voting and amendment procedures on the Hopper report on this document of 24 June. We shall miss a golden opportunity if we put this off. It is after that that we can turn our attention to the details.

As to the substance, this group warmly welcomes the fact that the Commission has interpreted its mandate broadly. The object of this exercise must be to strengthen the Community. It must be to strengthen our resolve to take the Community forward from a position which has come close to resembling stall or stagnation. They are right to point out that many of the Community's most critical aspects which promise most for the future have little direct budgetary impact at all: competition policy, the internal market, a concerted trade policy, real political cooperation and a better institutional balance providing more effective decision-taking and better democratic control. When these aspects are fully realized, the people of Europe really will feel they belong to a community which means something and which brings them benefits beyond

¹ See the minutes of this sitting.

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price. We agree with the Commission that there are policies such as energy where budgetary resources are not the be-all and end-all. There is an important function of coordinating national-level activities, whether in the guidelines on energy pricing or coordinating investments in energy. Such a principle can apply equally to areas like research, industrial innovation or transport policy (which, incidentally, is a major omission in this report and should be covered more fully), but the situation we really must rectify is the fragmenting of effort and the resort to competitive national aids, to which we have all too commonly become prone.

While our considered opinion on the agricultural proposals must await the detail, we can agree that the CAP has been, and is, achieving its fundamental objectives. Few other parts of the world can boast the choice and amplitude of supplies of food that we have, to the extent that it has even provided us with a potent political weapon, whether in assisting Third World countries on the verge of famine or Eastern bloc countries like Poland in a state of fundamental political upheaval. There is no OPEC of food suppliers that can blackmail us.

This Parliament has forcefully pronounced its opinion on how to adjust the CAP to changing circumstances in the Plumb report. We realize that for the good of farmers themselves there must be limits to the demands on the taxpayer's pocket and that we must be seen to be getting good value. If we are seen to have proper control of agricultural expenditure and to be financing that which we have consciously agreed to produce, then, only then, can we expect to have the right to dispose of increased budgetary resources. In this group, we would not be unfavourably disposed to an increase in the Community's own resources, given the proper conditions, but this restraint must be retained until we get things right. This group has pressed — for ever, it seems — for a better balance of policies. We attach great importance to the expansion and development of social and regional policies, but we agree wholeheartedly that these policies must be aimed rifle-like at curing the black spots that mar this Community. Their distortionary effect on competition must be taken into account, and if they are to achieve Community objectives their disposal must be at Community discretion, per Community guidelines and additional to any sanctioned national aids. It is no place for such disbursements to be based solely on considerations of budgetary balance, even if they will, almost certainly, assist towards such a better balance. We are convinced that, given time, the Commission's proposals offer a basis for achieving satisfaction in all Member States, that the benefits more than outweigh the financial costs. From time to time, however, one or other country may be faced with an unacceptable financial burden. It is obviously in all our interests to meet such situations, not reluctantly or out of charity or after a knock-down, but in the mutual interest and with Community solidarity. The Commission's propo-

sals on such a mechanism need much more clarification, but it is as well that we have some such mechanism in our armoury. And I say this in full confidence that it will not only be the United Kingdom which will welcome it as time goes on and circumstances change. However, there is one aspect above all which we must face with high resolve. In practical terms, in economic terms, in political terms, nothing could be more significant than a renewed resolve to achieve European monetary union and to resume concrete steps in that direction. It is the nub of the problems of the agricultural policy, of the internal market, of competition, of energy prices, of industry. We would ask the Commission and the Council to pay particular attention to the future of Europe's monetary regime as the cornerstone of this new and very welcome construction.

President. — I call the Communist and Allies Group.

Mr Bonaccini. — *(IT)* Mr President, many colleagues have already mentioned their uneasiness at the way in which the debate on the Commission's report was conducted, an uneasiness heightened by the absurdity of an interim resolution. It has even been proposed now that this latter should be referred back to committee.

My political group did not vote for this resolution, but I nonetheless recognize that Mr Hopper made a sincere effort to deal with the subject in a Community spirit, without forgetting his own nationality. I agree with him on the need for a global political evaluation of the mandate, which explains the lack of a favourable vote on our part.

The affair of the mandate was ill-starred from the beginning. The compromise of 1980 appears less and less significant as time goes by; it seems indeed to be the forerunner of what happened afterward, not because the distortions should not have been eliminated, insofar as they existed, but rather because the compromise was based on a hypothetical Community which did not have true Community characteristics. The tendency towards a preference for the intergovernmental relationship was thus initiated.

It was said at that time that the compromise could have been the occasion for a fresh start for the EEC, but it would have been a start along a narrow lane instead of on the main road. Moreover, the agreement was drawn up on the basis of an initial imbalance, as the subsequent events show.

The second inherent fault lies in the world in which the Mandate was conceived: very narrow margins, or rather non-existent ones, once the final ceiling for Community own resources was imposed.

Many speakers have already mentioned the axiom that without resources no new policies can be made and no

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reforms of the old ones attempted. The Commission as well, in dealing with a whole series of issues — research and development, regional programmes, social policy, innovation, export policy, cooperation and development, and so forth — has insisted on this point.

Mr Pfennig, vigorously addressing the Commission, asked 'where will you find the funds?' This is a very understandable question, but I do not understand whether he intended to call for the abandonment of the ceiling, to renounce initiatives, or to support Mr Klepsch's thesis, whereby, if I have understood correctly, the funds can to a certain extent already be found.

In fixing this limit the governments have said that they give clear precedence to the budgets and programmes in their own countries, and thereby they bring about stagnation in EEC activity and a retardation of Community development. Waste and distortions are being eliminated and corrected; administration becomes more scrupulous, and direct controls are established. The nub of the problem is nonetheless elsewhere: with this mandate, the Council has let us know that the dishes prepared for the Community are a mere taste, and sometimes they smell of burning; the roast is cooked and served for another. And then they say they would prefer not to see the nascent tendencies towards economic nationalism, the closed national plans, the government subsidies to support economic cadavers or to duplicate installations. This is no European renewal! Perhaps the comedy of deception has been too-cleverly played.

The Commission waited for decisions from an authority incapable of making them and resigned itself to political defeat. The response constituted by the initiatives of some Member States seems to tend towards the destruction of the institutional balance on which the EEC was based and to which the document of 24 June calls upon us to return.

The Italian Communists do not find the Commission's suggestions totally devoid of interest, however. Certainly, these initiatives must be studied and better evaluated and coordinated. But the resistance of the governments is strong and it appears to be a determining factor, even though the governmental bloc itself is racked with internal discord.

Before us lies the crisis of Europe and of the Community, of which we are all aware; there are also great challenges and pressures from outside. After having hailed the need for common policies besides those provided for in the Treaties (Commissioner Ortoli spoke of this once again this morning), after having proclaimed the need to restore all its potential to the giant Europe, wounded by the illnesses of its internal market, by a growing de-industrialization and by its ever decreasing ability to compete and to impose itself on the markets and on the international political

scene, after having declared that there is no time to waste in the development of the processes of integration — among these, the EMS — on pain of witnessing the foundering of the entire Community construction, we finally become cognizant of the degree to which this occasion, which should have been a historic one for Europe, is already compromised.

We believe that three conclusive questions should be put to the Commission and to the Council.

The first concerns all the sectors, excepting agriculture. Do you or do you not want to bring about real and perceptible progress towards a true Community approach — that is, one that will at least give some promise of development of the processes of economic and monetary integration? We doubt this. Certain proposals for the EMS and the premise of the medium-term plan are good; other measures, however, although giving proof of a willing spirit, seem absolutely unequal to the enormous task of restructuring important industrial sectors. What seems to be said is this: prepare the ground and industry will flourish. The experience of recent years does not support this hypothesis, and women and young people are not the only ones out of work. These problems cannot be solved merely by shortening the time to retirement. The generous and meritorious inventions of 'job creation' could, in the final analysis, be little more than a vase of flowers at the window of a ruined house, if they are not supported by a strong and balanced resurgence of productive initiative. The same can be said for the relationship with development in the Third World and the problems of financial recycling now confronting us.

Second question: is equality in the effects of the CAP in the various regions, an equality affirmed by the Community and implying the overhaul of its structural mechanism in connection with the Mediterranean package, really accomplished in the proposal you are making? We must firmly answer 'no', even though we are appreciative of certain aspects of these proposals.

Third question: the inter-institutional relationship. The Commission emerges from this debate as weakened and ultimately relegated to a minor role. It is defined as the 'guardian of the Treaties', that is, as immobile, static. We do not want the Commission to move backward. And Parliament? The powerful inter-governmental reality makes its appearance: controlled by what sort of leadership? Our political group is even more in favour of the process of political and economic integration, the unified process, with a global vision and a commitment to advance on the basis of the just institutional reforms we have all considered.

Under present conditions, a Europe moving at two, or three, or ten speeds is out of the question; its structure does not belong to what some have defined as 'variable geometry' or to the classic Euclidean geometry,

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but, more simply, to the 'geometry of the unformed', so to speak. Mr Veronesi, who understands these matters, tells me that there is a mathematical model which is called 'catastrophe mathematics': this seems to me to be the mathematical model to represent a situation like the present one. This morning Mr Klepsch raised the question: what will we say to the peoples of Europe in 1984? I say to Mr Klepsch: what should we say to women, men, emigrants, proletarians and bourgeoisie, to all European citizens?

Parliament must play a decisive role whatever concerns resources, Community structures and policies. In other words, it must do its duty.

President. — I call the Liberal and Democratic Group.

Mr Delorozoy. — (*FR*) Mr President, I shall confine myself to a few initial remarks on the mandate of 30 May, insofar as its importance, its limitations — alas — and its broad lines can be assessed at this stage. A more wide-ranging debate will have to be held at a later date before we can formulate our conclusions on the objectives to be achieved. In the meantime, the series of documents supplementing the report undoubtedly provide valuable additional material, but it will be necessary for the appropriate committees of Parliament to take another look at the problem in the light of them. If this further debate is to be properly prepared and organized, it will be difficult to avoid a preliminary examination of the coherence of the options selected. Perhaps it may be useful — and this is merely a suggestion — to call for a general report to be drawn up by either an ad hoc committee or by the Committee on Economic and Monetary Affairs, which is responsible for the interim report before us today.

The mandate as laid down by the Council set limits to the structural changes that could be proposed by excluding in principle any increase in the financing of the Community budget from VAT proceeds and by stipulating that the fundamental principles of the common agricultural policy had to be maintained. It must therefore be recognized that the number and scope of the proposals that the Commission can put forward in the present economic situation of the Community are restricted. It is inconceivable, however, that we should once again fail to progress beyond the stage of declarations of intent.

Budgetary resources undoubtedly make up an important aspect of the common economic policy, but a solution to budgetary problems would not be enough to ensure success. Far-reaching changes in mentality and behaviour will be needed to get 'second-generation Europe' off the ground.

It is neither right nor helpful that certain Member States should sometimes behave as if the European Economic Community were a body separate from

themselves, and that they should call for the Council or Commission to act in one way whilst they do precisely the opposite. Time and again we find responsibility for the adverse effects on Europe of domestic policy failures shrugged off with the assertion 'it's not us, it's Brussels . . . or Luxembourg . . . or Strasbourg'. We agree with Mr Hopper when he says that the Commission's report is somewhat too general, even though we now discern in the more recent supplementary documents some of the practical proposals absent from the original report. We shall, of course, need a little more time to digest these new documents fully.

However, I cannot help feeling, for example when I read the Fifth Economic Policy Programme, that I have seen the same assessments, the same guidelines, the same appeals and exhortations, the same complaints about lack of response, in previous documents, and it seems to me that what is lacking is vision and some new ideas. Whilst it is true that progress can be made only slowly and step by step, it is equally true that the ground must be adequately prepared.

It is imperative that greater convergence and coherence be achieved between the existing policies. Strengthening of the Community's economic structures and internal market is also essential. The strategy may have to be adapted slightly from country to country depending on the particular circumstances, but greater determination and perseverance must be shown by everyone in the pursuit of common objectives. The future of Europe will depend to a very large degree on the commitment of the governments to a more coordinated and convergent policy in the management of their economies, and the situation can only change with the help of restructuring a European level, necessary to improve competitiveness to the point where we can meet the challenge posed by world markets.

The Commission is, of course, quite right to lay stress in its report on the need to create Economic and Monetary Union and strengthen the European Monetary System. But can that really be done unless some real progress is made with harmonization of fiscal, legal and social legislation? Unless stricter budgetary policies are adopted and greater cutbacks in public expenditure achieved? Unless the Member States cease to pursue increasingly divergent economic, budgetary and monetary policies?

We are, of course, in favour of the setting up of a European Monetary Fund and of increasing recourse to Community loans where they can strengthen the hand of European institutions in encouraging the productive sectors of the economy. But here again, can these efforts succeed unless all the Member States join the European Monetary System and unless free movement of capital and securities is established?

The Community was created with a view to a steady improvement in the living and working conditions of the citizens of Europe. That objective had been

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partially achieved when the world was overtaken by an economic crisis at a time of profound change in the political, economic, social, industrial, technological and philosophical spheres, a time when civilization itself was transformed in some parts of the world.

At this time the ten Community countries have at their disposal instruments that should enable them to overcome the crisis and withstand international competition. It is sad to see, however, what inadequate use they make of those Community instruments. A change of course, with an emphasis on concerted and coherent policies and strategies, seems urgently required if Europe is to keep pace with the rest of the world.

The mandate of 30 May provides an opportunity to breathe new life into the Community. The responsibility for seizing that opportunity lies with the Commission, with Parliament, but above all with the Council, a Council sparsely represented both this morning and this afternoon at a debate which ought to have claimed its attention, a Council whose decisions ought to pave the way for more rapid progress towards the coherent and dynamic economic policy awaited by 260 million Europeans.

President. — I call the Group of European Progressive Democrats.

Mr Junot. — (*FR*) Next March will see the twenty-fifth anniversary of the signing of the Treaty of Rome.

On the eve of that milestone in the construction of Europe, the Community is contemplating a restructuring project of extreme importance, which can be traced back to the concessions wrested by Mrs Thatcher's intransigence in the face of her feeble partners and to the series of decisions which led up to the mandate of 30 May.

Twenty years ago, at a joint meeting of the Council of Europe and the European Assembly, I was happy and proud to be the rapporteur on the first proposal for the accession of the United Kingdom to the Community. I said at the time that we should welcome it with open arms, with the sole proviso that its entry would in no way alter the terms of the Treaty of Rome.

And now the decisions taken on that 30 May, recognizing the 'unacceptable situation' of the United Kingdom, sound the death knell of the Treaty. We say that with not a trace of relish, merely sober realism. But if the Europe of 1957 is to perish, another Europe must be reborn, the 'second-generation Europe', as Mr Thorn put it. The mandate of 30 May must be the springboard for a Community revival; we can accept no other course.

For that revival to succeed, it must be based on the principle that the foundations of the Treaty of Rome remain intact. It is on those foundations that we have built the common agricultural policy, the success of which is undisputed and which must be preserved. We therefore say plainly that there can be no question of accepting the policy of a 'fair return' — which is the very negation of the Community — or the Commission's ambiguous approach, which lumps the dismantling of the CAP, the British budget contribution and the extension of common policies together in one incoherent package.

We must have no more misunderstandings among the Ten. This means that we have to define with great precision the new common objectives and, as a first priority, safeguard what has been achieved by a Europe acting in concert and founded on three basic principles, namely a single market, Community preference — the very cornerstone of the European Economic Community — and financial solidarity.

Since 1975 a pernicious disease has set in. The United Kingdom began the process by denouncing the CAP, by striving to turn the Community into a free-trade area, and by demanding and obtaining a reduction in its budgetary contribution.

Whatever happens, this budgetary compensation must be no more than a temporary measure.

Only a few days ago we were told that the United Kingdom's 'debit balance' would be lower than forecast, because of its greater participation in Community activities. The supplementary transfer to the UK for 1981 is 635 m ECU, thus reducing its debit balance to 95 m ECU or less, as against the 730 m ECU originally expected.

We are delighted that the United Kingdom should in this way be deriving increasing benefits from the common agricultural policy. As we have steadfastly maintained, the problems associated with its budgetary contribution will be dissipated as it gears its trade to Europe rather than elsewhere.

In these circumstances there can be no question of establishing, under the pretext of according the United Kingdom a special, complex and open-ended financial mechanism, a permanent solidarity levy payable to it and chargeable exclusively to the common agricultural policy. To do that would be to penalize and undermine success.

We reject any Malthusian policy.

The Community's achievements have always been associated with a determination to move forward. Membership should, as it has always done, lend each country added value. The CAP has, pursuant to Article 39 of the Treaty of Rome, sought to maintain farmers' incomes; it has secured food supplies and

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provided stable prices for consumers. It gives grounds for hope that it will be possible to solve the problem of hunger in the world. It should be preserved and built upon.

We are open to any proposal designed to bring about an improvement, but we reject alignment on world prices, which are unstable, and we are against the generalization of aids. What we want is a more balanced budget, the implementation of new Community policies, which will entail additional resources and consequently a moderate rise in the VAT ceiling, a modified and dynamic agricultural policy with better direction and management and greater diversification among the products, geared also to enlargement, to an overall Mediterranean policy and to the need for a vigorous development programme for the Third World.

Those are the measures needed, those and an extension of other common policies.

All this presupposes, of course, convergence of the Member States on the main objectives designed to produce economic growth. Such convergence is, in fact, constantly being preached by the Commission, but if we compare European intentions with national decisions we perceive unfortunately a yawning gap that is widened by the divergence of the economic policies of certain Member States. We must fight our way out of this quagmire by getting down at last to harmonization of social, economic and fiscal legislation and encouraging simple and practical projects capable of catching the public imagination, so that we can rekindle the general enthusiasm which greeted the first steps along the road to a new Europe. Renegotiation and economic revival indispensable today, should permit the necessary strengthening of the Community and improved administration of its affairs through more transparent procedures, regular consultation with social and economic partners and better surveillance of the implementation of Community act, all concepts left in suspense by the Commission at its recent meeting in camera at Ottignies.

Basic measures might also be undertaken with a view to getting 'new Community policies' under way in the field of employment — given that the jobless in the Community now number around 9 million — of energy, scientific and technical research and, in particular, regional policy.

The Commission is aware of the urgency of these problems and has submitted specific proposals, although without spelling out how the financial instruments are to be used in order to put its ideas into practice.

In pursuing the main objectives we should not lose sight of the fact that Europe should above all be conceived with its citizens in mind. There is a number of projects that could be carried out because they

could help to bring Europeans closer together and lend the Community substance in their eyes, for example, the European identity card, European sports teams capable of meeting the other world powers on an equal footing — thus generating European patriotism in the field of sport — identical school history text books in all our countries, identical museums of Europe, and so on.

And so, by restructuring and developing common policies launched two decades ago, upholding their fundamental principles, making no distinction between different Member States, opening up new horizons and displaying a bold approach, the Commission, acting with the support and under the supervision of Parliament, could help to make this Europe of the second generation a reality.

For our part, we should see in that prospect the fulfilment of a declaration made by Jacques Chirac when he was Prime Minister of France: 'The construction of Europe represents for France and its partners the only road to genuine prosperity and to that measure of power called for in the world of today.'

President. — I call the non-attached Members.

Mr Romualdi. — *(IT)* Mr President, ladies and gentlemen, there is no doubt that the Mandate of 30 May constitutes a critical moment for the life of our Community, and that it concerns not only budgetary difficulties but Community life as a whole; a moment which it is our duty to bring to fulfilment by overcoming every obstacle, no matter who or what has put it there.

There is equally no doubt that the task properly belongs to the Commission, a body whose job cannot be merely that of recording, more or less punctually, the will of the Council, as has often been the case. The Commission should rather join with Parliament in promoting every initiative capable of assisting the process of integration and in enriching this process with new policies and plans for their application which are concrete and able to be realized without delay. We do not want programmes which are vague in themselves and which threaten the letter and spirit of the Mandate.

In the first place, a greater degree of convergence is necessary for the harmonization of economic policies and thereby for the gradual but effective reduction of the serious economic and social disparities which still exist and which might even be aggravated by some of the Commission's proposed measures. It is also necessary to strengthen regional policies, which should be enriched with concrete references and better defined with detailed proposals. Finally, it is necessary to coordinate the policies of the different Member States. For example for the common policy on energy and

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research the Member States individually spend sums which, when added together, are impressive. If these sums were pooled, they would produce significant results which would suffice to keep us abreast of the most advanced industrial technology.

In conclusion, as the Hopper document rightly affirms, it is necessary to make an effort to formulate a new agricultural policy which can neither be based on the principle of 'juste retour' nor on that of premiums for all the surplus products and for the policies concerning the Mediterranean basin — socially and politically the most important region of all, the one to which the problem of Community enlargement is bound. We must also work for a new industrial policy in favour of small and medium-sized undertakings, to which the tragic problem of unemployment is linked. Parliament must better evaluate the effectiveness of these policies and contribute towards increasing the efforts of the Commission; it must urge the Council and the Community governments to action and make it known to public opinion that it is not Parliament but others who delay and complicate the process of European integration.

President. — I call the Commission.

Mr Thorn, President of the Commission. — (FR) Ladies and gentlemen, I am happy to have an opportunity to speak in this debate, which signifies the full involvement of your Parliament in the intense political discussions between the Member States and the Commission on the future of the Community, which even today have continued in Brussels.

Before I go on, allow me to say a few words on the 80th anniversary of the birth of President Hallstein. I wish to demonstrate in this Chamber that the founding fathers of the European Community are not forgotten and to recall this great man, who was one of the signatories of the Treaties and who, as the first President of the Commission of which I have the honour to be President today, set us a fine example of the courage one must have at the head of this Commission to be able to defend the Treaties as they were negotiated and to win through, to defend oneself against all the States, who from time to time would like to bend the rules. I believe that, through his life, Mr Hallstein, who is celebrating his 80th birthday today, not only merits our best wishes but should also be an inspiration to us.

(Applause)

Ladies and gentlemen, the debate on the mandate, since unfortunately we have to use this jargon, clearly shows the choices facing the Community and each of our Member States. As I have just been reminded by my friend Michael O'Kennedy, who presented the Commission's views this morning, all the speakers

have stressed that the Community is now engaged in a process of extending and developing its policies. Although the mandate was originally prompted by the problems raised by the unequal, or allegedly unequal, distribution of expenditure and revenue in the Community budget among the Member States, it has gradually become a debate on ways and means of reviving the Community. And this, it must be emphasized, is due to the Commission, which has interpreted the mandate in far broader terms than the Member States wanted.

This is a development that we must all welcome and seek comfort in. The situation in the Community is such that it is not enough to think in terms of limited adjustments that might be made to the workings or financing of the Community. The answer that is expected today of those who bear the responsibility for leading the Community must concern such questions as employment, competitiveness, the place of the Community in the world and its response to the energy challenge. As my colleague, Vice-President Ortoli, pointed out this morning during the debate on the economic situation and as Michael O'Kennedy stated with great talent and vigour in his introductory statement, we must make of the Community an instrument and place capable of finding solutions to the problems which distress the people, but what we have already achieved together, the *acquis communautaire*, must also be safeguarded, and it must not be thought that the point of no return has been reached.

After all, how could it be thought that the single market could resist the constant deterioration of the employment situation in all our countries for long? Can we imagine the common agricultural policy and the oneness of the market it implies continuing for long in the face of such divergent rates of inflation? We need only think of the centrifugal force that the introduction of foreign competition into the Community would have if we did not provide the instruments in the areas of industry, technology and research that are needed to counter this competition, which is becoming increasingly fierce.

Today, ladies and gentlemen, there is a need for a revival and development of policies, not only because we simply want to continue a process of integration that was begun long ago, but also to meet requirements common to all our countries, which on their own do not have the means of satisfying these requirements. As Mr Dankert and Mr Klepsch said this morning, if I am correctly informed, it is in this spirit and with this object in mind that the Commission worked — and worked a great deal, I can assure you — to present the report of 24 June and then the various communications which explain this political desire for recovery.

Of course, Mr President, there is a risk, as Mr Delatte stressed, that with so many proposals on the table there will be no clear vision of the future we want for

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the Community. Despite their at times technical nature, all the Commission's proposals, and particularly those relating to the CAP, do form part of a global logic dominated by an ambitious political will.

The reactions of the governments of the Member States this very morning in the Council in Brussels confirmed that what we want, we of the Commission and Parliament, is ambitious. As I said during the debate on 9 July, the mandate is providing the Community with a unique opportunity to think about its future at a particularly critical time and to see what adjustments need to be made 25 or 30 years after the Treaties were signed and what broad lines should be followed in defining the goals of this 'second-generation' Community. This, it should be noted, is far more 'operational' than what Mr Klepsch meant this morning when he referred to the Tindemans report and the report of the Three Wise Men, which tended more towards the abstract.

Since June of this year, the Commission has put forward a whole series of ideas which fit in very logically with a logical course of action. Of course, your Assembly and its appropriate committees have not yet been able to study these proposals in detail, and we run the risk, as Mr Hopper pointed out, of seeing Parliament losing sight of this overall view in its work, and I appreciate that the opinion we have been given today can therefore be no more than provisional. I also share the fears expressed by Mr Lange and Mr Dankert that there is a danger of sight being lost of the overall view as the individual proposals to be put forward shortly are considered, but I remain convinced that Parliament, and particularly your Bureau, Mr President, will establish procedures which will ensure that the various proposals are examined within the general context.

As you know, ladies and gentlemen, this is an exercise in three stages, forming part of an ongoing political desire for renewal and recovery.

At the first general stage, the Commission submitted on 24 June the report indicating that it refused to regard the Community simply as an indemnity fund and wanted to take the opportunity it had been given in this way to broadcast a political message and to correct the course the Community was taking as it set out on its second generation.

The second stage of our activities consisted in the submission between June and October of all these reports explaining and clarifying the Commission's ideas.

The third stage, which is now beginning, at parliamentary level, needless to say, is the implementation of these reports in the form of proposals for directives or regulations or proposals for agricultural prices in the

By proceeding in this way, the Commission is implicitly replying to the criticisms voiced by those, such as Mr Lange and Mr Pfennig, who reproach us for the absence of specific proposals. Had we done as those who reproach us — and I sympathize with them — for the often imprecise nature of our explanations would have us do, they would have soon accused us of not having an overall view or political concept. For someone who an hour and a half ago left a Council meeting in Brussels, where they were discussing the mandate, it is refreshing to hear it said that the Commission lacks ambition and the will to be precise, whereas we were being accused all of yesterday and this very morning in the Council of going much too far, of not sticking to principles and of wanting to face the Member States with choices they do not need to make at the moment.

We have to know what we want. We of the Commission believe we do. Either we regard the Community as more than an indemnity fund and then accept that the budget is an instrument of common policies, or we agree to limit Community action to ensuring a *juste retour* for everyone and we stop discussing the desire to define a common future.

As you know, Mr President, the Commission has rejected this accountant's view of the Community, and Parliament has always encouraged it in this. Proof of this is what has just been said by various Members, particularly Mr Moreau, Mr Delatte and Mr Klepsch. We must form a united front, so that we cannot be accused of not wanting to be more specific about these ideas on the financial mechanism. We must fight over the principles and not play the game of those who want to question the financing of the Community by engaging us in discussions on figures and details. We must be able to choose the opposite course, the course we want to adopt. As Mr Lange said, all the predictions in the budgetary field are uncertain. The Commission, of which I am President, has moreover just provided figures which show that any calculation based on the net balance of a Member State's involvement in the joint effort is subject to an enormous measure of uncertainty.

Ladies and gentlemen, it is so easy to say that this is due to errors or even manipulations in the calculations. Quite the contrary: it is extremely difficult to predict accurately the budgetary results of a Community such as ours, where resources and revenue do not come from income tax as they do in each of our Member States, where, with the help of figures on inflation and growth in national product, a better idea can be gained of what own resources are available. You know what customs revenue, VAT and above all revenue from agricultural mechanisms are like: everything is subject to fluctuation. Depending on the harvest, the level of world agricultural prices and our own, and the rates of exchange among our ten national currencies, we shall have such pronounced fluctuations that no one, with the figures before you today, can speak of

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mistakes in the calculations and least of all of manipulation.

The agricultural markets, currencies, the development of other policies are, unfortunately, still not quantities in the Community that can be programmed and formed into an equation without a margin of error. It must be realized that, as it stands, the Community has movements and uncertainties of its very own. In this context I accept Mr Lange's criticisms, but I would nevertheless plead that the circumstances are rather extenuating.

Allow me to add to all this that, from what I have been told and from what I myself experienced when I was on the other side of the fence and had the honour to represent the Grand Ducal Government, my predecessor, Mr Jenkins, was more than reluctant to quote the figures and to give the explanations the Council asked for, but under pressure from the Member States the Commission had to give figures in time for 1979, 1980 and 1981. In the end it did provide them, and now you can see that the results do not match.

Mr Lange, only yesterday I was asked to provide new figures for 1982, which, if I applied the same criteria as for the 1978 figures, would have run the risk of including the same margins of error. That is why I quite simply refused, because you are well aware of the previous Commission's forecasts, you know the figures for the various Member States, you know the difference between the two, you have the possible margin of error. In the future, therefore, if you ask this Commission for figures, it will give you a higher and a lower figure, a range, so that it can be sure of not being accused of making mistakes.

As you will have seen from the report on the mandate, the Commission does, of course, have its own budgetary concept of the effort everyone must agree to make as a contribution to the financing of policies. We believe it is a bad thing for the Community for situations to develop in which the public in certain Member States feel that they are contributing too much to the common effort, where their impression is that they alone are contributing at that level or they alone are not benefiting from certain policies.

That is how things must be seen, and you will have noticed that I am not referring only to the case of the United Kingdom. It must be clearly stated that there is a problem of a different kind. It is true that, if one of the more prosperous countries became the only 'net' contributor to the financing of common policies, or at least had the feeling that it was the only contributor, there would be grounds for politicians to discuss the matter, but for politicians who stand up for the Treaties there would still be no grounds for changing the system. The Commission stated its position in this respect during the discussions of the Council of Foreign Ministers yesterday.

The Commission also pointed out that it did not intend to fall into the trap of putting forward partial and limited budgetary proposals which would distract the attention of the Council and then of Parliament from the real subject of the debate, which is the striking of a better balance among policies, mastering the problem of agriculture expenditure and the launching of other activities, of which we are in the greatest need.

As regards the other statements that have been made, Mr President, to the extent that I was able to examine them before taking the floor, and referring in particular to Mr Travaglini's speech on regional policy and Mr Pfennig's complaint that the Commission had not taken account of Parliament's views, I would refer honourable Members to our various communications, which show precisely how this Commission intends to react to these arguments.

For example, as regards regional policy, we have taken account of the need for a greater concentration of efforts, and Parliament will appreciate that the proposal for the reform of the Regional Fund genuinely seeks to make it into an instrument for action in favour of the less favoured regions or regions affected by redevelopment policies.

Where agriculture is concerned, the Commission's memorandum sets out to establish a medium-term policy under which production can be geared to the real needs of the producers and the markets. Of course, it will take some time to adjust the common agricultural policy, and the effects on the budget will merely be a reflection of this development. In view of the need to take account of this lapse of time, the Commission has proposed that there should be an interim budgetary mechanism to prevent certain common policies from having a disrupting effect.

To conclude, Mr President, when we discuss the mandate, when we discuss something which will be crucial to our Community and to a whole generation, I believe that we must be sure to define its scope and to avoid the risk — and this applies to us all — of thinking only in financial terms. We must remember that we shall soon have 10 million unemployed: that figure is unfortunately going to be exceeded whatever we may do. Let us hope that we can change the trend and that we do not go too much higher, but there can unfortunately be no doubt that this figure will be exceeded.

Let us remember the rates of inflation in the Community: between 5 or 6% and 25%. This means that our economies are diverging, with all the danger that that entails for the economy, the EMS and goodness knows what else.

Need I recall in this context how many traditional sectors on which we have lived and on which we created the European Community at a time when they

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were still key sectors — I am referring to coal and steel — have been left to drift along? Next month we shall perhaps be forwarding to you a document which will show what productivity is like in Europe compared with our main competitors, the United States and elsewhere.

You know how severely the common agricultural policy is criticized or even threatened and how insecure our farmers therefore feel, after years of polemics. You know as well as I do that we have been trying for years to add new policies to the common agricultural policy.

I am not now talking about certain countries not wanting to pay as much, others wanting to pay less, those who are deriving some benefit not wanting to give up what they are paying for and all that that entails. I am not talking about those who have only just acceded to the Community and are already wondering what special scheme they might benefit from, and I am not talking about those who want to join us tomorrow.

Ladies and gentlemen, do you not think that, while we are in a situation which is truly exceptional and in which we should be tackling the real problems of today, we should make sure that, after having quite wrongly introduced the concept of the 'unacceptable situation', we do not add the concept of '*juste retour*', 'net balance' and 'ceilings'. If we add up these four concepts and if the Commission, the guardian of the Treaties, is then asked to invent a new mechanism to replace the first, do you not think that our position will then be absolutely untenable? If you do, you will agree with me that, if anyone has tried to take an overall view of things and to solve the budgetary problems, it is the Commission. If anyone has not left the initiative to the Council but taken it entirely itself, it is the Commission by putting forward the idea, on this occasion on a purely financial basis, of establishing a new policy and reforming the common agricultural policy. I feel that, in doing so, we have complied with the demands of the Members of this House, even if we have not done so down to the very last detail, because, ladies and gentlemen, I understand you, and the Commission is grateful to you for asking for no more than we of the Commission can give you.

But do not forget that what we must achieve is far more than the Council wants to give us. You must therefore try to appreciate that there is a gap between our idealistic duty and the opportunities actually open to us and join with us in an alliance that is so necessary for the Community.

President. — I call Mr Didò.

Mr Didò. — (*IT*) Mr President, at a moment when the governments of the Member States are exploring

various means for renewing the Community and for overcoming the stagnation which has now overtaken the process of the construction of European union, the Commission's fulfilment of the Mandate of 30 May assumes an exceptional importance.

We are indeed convinced that without a deeper internal cohesion, the European Community will be unable to make an adequate response either to its own internal problems or to external problems of world-wide dimensions.

At the request of my group, I will dwell particularly on one aspect of the Mandate of 30 May. This aspect concerns the specific policies necessary for reducing and eliminating the fearful problem of unemployment which is now making itself felt not only in the countries and regions with weak economies, but also in the economically strong regions of our Community.

Ten, twelve million unemployed, the majority women and young people, represent a tremendous problem, not only from a social viewpoint but also from a political one. This problem should be given first priority in all decisions, whether made by the Community institutions or by the government of the Member States. But this is not yet the case.

The European Parliament, moreover, has already approved in previous sessions at least three resolutions proposed by the Committee on Social Affairs, resolutions which should receive urgent attention and be formed into directives by the Commission and the Council.

On the other hand, we welcome the Commission's document presented as the 'Preamble to the Fifth Programme of Medium-Term Economic Policy,' whose interesting indications and orientations have yet, however, to be given practical content. To tell the truth, except for the reform of the regulation concerning the Regional Development Fund, which takes an innovative line, very little is offered by the documents which succeeded the 24 June report.

I must stress that the Commission's positive proposal to increase the Social Fund by 40% in the 1982 budget was drastically revised by the Council, which reduced the increase to 13%, thus giving proof of great consistency with the repeated declarations on the seriousness of unemployment:

We believe the time has to come, for everyone, to have done with the method which has by now become traditional with the European institutions, beginning with the Council and the Commission — the method that consists in indicating the existence of serious problems and then translating all this into exhortations or recommendations which remain a dead letter. This serves only to aggravate the situation — and President Thorn's speech, far from reassuring us, has only made us more anxious than ever.

Didò

To return to the Commission's document on the Mandate, at a certain point a 'hope' is expressed for a strengthening of the dialogue between the Community institutions and the social groups, in particular through the 'tripartite conferences', without however indicating how to improve the totally insignificant performance that such conferences have given up to the present.

The commitment, several times reaffirmed, to define a framework of proposals for the reduction and reorganization of working time has not been carried to a conclusion.

Emphasis is put on the need to use the tools of Community action, in particular the Social Fund, in a more extended, concentrated and flexible manner, in function of better-organized labour markets and in support of the professional and territorial mobility of the workers, in the framework of the processes of productive reconversion and restructuring. No concrete indications, however, are given concerning the line to be taken in the reform of the Social Fund, which is scheduled to take place in 1982.

There is, however, a new and interesting element in the Commission's indications, although they are still only general in nature. This is evident in the proposal to institute, within the space of five years, 'mechanisms and instruments making it possible to ensure for all young people, after their compulsory schooling is completed, either a paid job or a course of professional training, or a combination of the two.'

Another important point is the Commission's commitment to influence and aid the Member States so that obstacles to the creation of new jobs may be identified and overcome.

We fully agree regarding the role assigned to the small and medium-sized undertakings, and, among these, to the cooperatives, and we agree on the need to aid these undertakings in creating new jobs.

We are aware, however, that in more general terms, in the framework of the existing economic structure and especially in the large undertakings, an increase in investments does not bring about a corresponding increase in employment. On the contrary, we know that under the pressure of international competition the use of new technology is spreading, technology which, by replacing men with machines, results in a very considerable increase in productivity. Such an increase, if unaccompanied by a corresponding increase in production, brings about a vertical drop in employment.

This is the source of the inevitable need to reduce and redistribute working time, but this alone is not sufficient to guarantee full employment. This is why, identifying with the Commission's idea to operate on the ground of 'the creation of new jobs' and to find new

means to intervene on the job market, we wish to restate some concepts and concrete proposals, as follows:

1) that the responsibility for the realization of full employment must be directly assumed by the States, through the adoption of new instruments of public intervention, with the aim of providing work for all those who want it, in a 'European programme of guaranteed work.'

2) that there should be a search for new jobs, which are to be found in the vast space offered by the needs expressed by the various social groups and to which present social services are unable to respond: problems of collective interest, from environmental protection to regional planning, which are not being dealt with.

3) that, with the aim of creating jobs in productive activities and in activities of collective interest, through special work and work-training programmes, a network of employment agencies should be created, particularly on the regional level. Such agencies should have powers of intervention in political and administrative spheres and explicit authority for the identification of jobs and the social needs to be satisfied, for the mobilization and organization of existing planning, managerial, and executive resources on the regional and national levels and for the use of available manpower.

4) that, in order to ensure that such agencies receive necessary information, systems of monitoring the job market should be created at regional, local, and Community levels.

5) that employment agencies should have a public structure, whose essential components should be the organizations of workers and businessmen, together with representatives of the local administrations.

6) that the funding of such a programme of guaranteed work should be accomplished through use of the sums presently earmarked for various subsidies on behalf of the unemployed. Substantially, the idea is to go from the financial support of unemployment to the financial support of employment. In each country a fiscal policy should be implemented which would link the function of the State as ultimate organizer of employment with the function of the State as organizer of the redistribution of income through taxation. All this should be done in the framework of the harmonization of Community taxes.

7) that the role of the European Social Fund, properly reinforced, should be directed towards orienting and coordinating the initiatives to be implemented in the Member States.

Mr President, ladies and gentlemen, we believe that we must call upon the Community to pursue this line of action if we want young people and workers in general to continue to believe in Europe.

President. — I call Mr Giavazzi.

Mr Giavazzi. — (*IT*) Mr President, my speech will certainly not take up any more than the allotted time, since the absence of the representatives from the Council and the Commission, not to mention that of the rapporteur, will obviously have an effect on its importance.

This morning's speech by the President-in-Office of the Council and the address by the President of the Commission gave a timely emphasis, in verbal form at least, to the importance of the present debate. I believe I can say that on this occasion the Community cannot afford to take a false step, and that above all it cannot afford not to take decisive steps forward, for the sake of its own future. Almost everyone agrees on this, at least according to their declared intentions: the problem is to see whether these intentions will be realized in definitive action. We have a general report from the Commission where reference is made to the report we are now discussing, and we have numerous, exhaustive, and — it must be admitted — well-composed sectoral reports. These, however, leave the concrete application of general principles for the future.

In reference to this the Commission subsequently produced explanations concerning these sectoral situations; in my opinion, however, the most vital explanation is lacking. We do not know whether the Commission intends to present a synthesis of these reports; in simple terms, whether it intends to transform its intentions into programmes. This would mean not only making choices and establishing priorities, but also giving indications of times, ways, and means for implementation. It would be frivolous not to realize how much more difficult this is, and how much it leaves out of account the agreement of other bodies necessary for the formulation of the essential legal acts, that is, of those which have an effect on Community application. On the other hand, it would be short-sighted not to realize that if the consensus of the bodies in question, whether national or Community, were lacking when they were called upon to implement such acts in their respective areas, the effect of the work accomplished could not be considered positive, despite all possible goodwill. And the subsequent judgment would be totally unfavourable.

It is for this reason that once again Parliament must urge the Council of Ministers and especially the European Council — in view of its forthcoming meeting in London — to take up their responsibilities.

It was clearly specified when the Mandate was given that it was to be executed by means of structural changes. The elements have been put in readiness, the way is clear, and the Council cannot retreat without leaving itself open to severe criticism. Only a renewal of the Community, well thought out but courageous and above all timely, can save it from the situation in

which it now finds itself. Only immediate measures can halt the continuous and dramatic loss of the Community's competitive ability, the growing unemployment in its labour force, its persistent inflation.

It is the expression of this resolve that we are here asking of the Council of Ministers; it is the indication of this will for renewal, over and above circumstantial individual interests, which should be asked and today is being asked of the next European Council. It is impossible, in the present state of the European Community and of the world at large, even to imagine a situation where the Commission 'cannot' and the Council of Ministers 'will not'. Nor can it be objected that budgetary difficulties stand in the way. If no coordinated system of objectives and directions is established at Community level to correspond to the diagnoses of needs and therapies — usually excellently performed by the Commission, as in many documents recently issued — the analyses and proposals will be repetitious and futile. This certainly does not mean a rigid control of the policies of the Member States, which would neither be possible nor advisable. It does mean, however, the fixing of these objectives and the commitment of the States to policies compatible with them; and it also means establishing a means of systematic control of the States' actual behaviour in this regard, with periodic agreements on the Community level concerning the adjustments and corrections inevitable in every economic process which does not take situational and temporal change into account. If such a system is applied, even imperfectly, in the field of monetary policy, there is no reason why it could not be at least tried, with the inevitable corrections, in economic policy, at least for the great problems besetting the Community, such as inflation, public debts, energy objectives, unemployment. The policy of loans could also be correlated to such an approach, especially where these are available at special interest rates, arriving at the creation of a true European fund which would particularly favour the development of energy policy and the industrial renewal of the Community.

The States must realize, however, that the implementation of effective Community policies correctly synchronized and universally applied is the only way to obtain the maximum result from efforts that would otherwise lose their financial and operational strength through dispersion. Individual and uncoordinated actions cannot succeed for any policy, no matter what its situation or potential. In such a case, neither will the necessary reinforcement of the budget find too many obstacles, as long as — and we always come back to the same problem — the will exists to move in the direction of a united Europe.

Only the awareness of the irreversibility of the Community process, only the knowledge that no delay can be permitted in the application of the means directed at rescuing it from its present immobility and once again directing it forward towards strength and consolidation, can support our belief that it is possible

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to solve the serious problems we now face. Parliament, in today's debate as well, must call upon all persons and all bodies whose duty and responsibility it is to act, and share with them this awareness and this knowledge.

President. — I call Mr Jackson.

Mr R. Jackson. — Mr President, I would like to join in congratulating the rapporteur and the Committee on Economic and Monetary Affairs on their excellent report — they have made a very valuable contribution.

In beginning my speech I would like to echo the words of the President-in-Office of the Council when he said that we are now past the stage of the analyses of options and that we should now be past the stage where we are simply stating well-known and contradictory positions. What I want to do is to lower the tone of the debate: not to talk about the philosophical merits of the various solutions — the possibility of new expanded Community expenditure, the possibilities of common agricultural policy reform or of budgetary mechanisms. What I want to do is to emphasize and underline the urgency of finding a solution to this budget problem. And this requires me to dwell on the political situation in one Member State, my own country, Britain.

Now I know that the problem of the budget is not just a problem for Britain. Everybody has said that in this debate, and it is true. But the fact is that there really is a British problem, and that problem is fundamental to the whole of this debate.

In what I have to say I feel confident that after our 2½ years since direct election there is no one in this House who doubts the European commitment of the European Democratic Group — and indeed, if I may say so, I do not think that there can be any doubts about my own attitude on the part of any one who read my pamphlet, *The Reform of the European budget*, circulated to all Members earlier this year. The fact is that the Conservative Party is the European party in Britain; it has fought very hard for Europe in Britain, and it will continue to do so.

But the House must appreciate the political background against which the budget restructuring exercise is situated in Britain. This is a very difficult and controversial area; all discussion is somewhat hypothetical. But the most important fact in my opinion about Europe in Britain today is the fact that the principal opposition party, the normal alternative government in the United Kingdom, has voted by 700 000 votes to 7 million at its party conference to withdraw Britain from Europe in 1983/1984 without another referendum. That is a political fact of the first magnitude which underlines the seriousness of the problems we are considering today and the urgency of the restructuring problem.

Consider what would be involved for Europe in Britain's withdrawal from the Community. The Labour Party's commitment is associated with a call for protectionism by the United Kingdom — long-term industrial and agricultural protectionism. What this means is the loss of markets, and the loss particularly of agricultural markets; the possibility of trade wars spilling over worldwide; the consequences for the rest of Europe of the deflection of exports from other countries like Japan and the United States. Withdrawal is also associated in the Labour Party's programme with unilateralism and with neutralism, with the removal of American bases from British soil — with all that that implies for American basing in other parts of Europe, and with a withdrawal, perhaps, of British forces from the Federal Republic of Germany.

Beyond all this, it is an obvious fact that the withdrawal of Britain from the European Community would be a massive moral setback for the European idea, and may be a mortal one. It would perhaps lead to further secessions from the Community, it would lead to deep divisions within western Europe, divisions which would accentuate the already profound and dreadful division between eastern Europe and western Europe.

Now of course, Mr President, withdrawal would also be disastrous not only for Europe but also for Britain. I have no doubt about that. Withdrawal from the Community would be a disaster for my country. But it is not good enough to say, as I have heard said in this House, that because it would be so disastrous for Britain, the British would never be so foolish as to do it. In the first place, we have an electoral system in Britain of which I am very critical, which makes it possible that the effect of the new, undoubtedly European, Alliance which has entered on the scene in Britain could be to put the Labour Party in government on a minority vote. That is a very real possibility.

And secondly, let nobody in this House be in any doubt at all about the political impact of the 3 million unemployed in Britain. We have seen the effects in France of 2 million unemployed. Consider the appeal of protectionism; consider the appeal of nationalist socialism to a country in the situation that Britain is in today. It may be disastrous; it may be irrational; it may be the most terrible thing for all concerned. But as a great English historian observed in the eighteenth century, history is 'the record of the crimes, follies and misfortunes of mankind' — and we in Europe may be facing such a crime, such a folly, such a misfortune. Mr President, I hope the House will forgive my frankness.

What conclusions do I draw from this analysis? I think we must conclude that it is not at all inconceivable that the Labour Party could again plunge Europe into crisis by seeking to withdraw Britain from the Community. And we must recognize that this would be disastrous,

Jackson

not only for Britain but also for Europe. This is the background, Mr President, against which our debate about the European budget has today been conducted in a rather theoretical and academic atmosphere.

Mr President, a pessimist might conclude from all of this that nothing can be done to avert this catastrophe — if the British want to go, why should we try to stop them? Why should we make any changes in this Community that we value so much if the British are going to withdraw anyway? I do not believe, Mr President, that that would be a warranted conclusion from the analysis that I have given you. We must not fall back on fatalism. We must show, and the challenge of this debate is to show, that our Community is a vital organism that is capable of growth and of adaptation — and with respect to Mr Junot, who is no longer in his place, it is not a question of Britain renegotiating yet again our accession which took place all of a decade ago in 1972. Rather, it is a question of assuring the future of our Community, of the enlarged Community, of a Community which is shortly to be further enlarged by the admission of a country, Portugal, which under our present budgetary arrangements would also be a net contributor, although by far the poorest country in western Europe.

I believe that, if we resolve this restructuring problem, we Europeans can make of Europe a winning cause in Britain, if only we can show when we fight for Europe in Britain that the Community is genuinely capable of finding genuine solutions to genuine problems — and surely by now everybody in this House recognizes that this is a genuine problem.

There are four issues which make life difficult for us Europeans in Britain. One is the trade deficit between Britain and the rest of the Community. That is getting better. By 1983-1984 50% of our exports will go to the Community, and that is a very important political fact. Then there is the problem of sovereignty. Well, we all have the problem of sovereignty. I believe that we can deal with this in Britain if we can show progress in these other areas. And then there are the two inter-related problems, under discussion today, of the common agricultural policy and the budget — and what we have got to be able to show our people is that these problems can be solved to general satisfaction.

Nobody in Britain will be able to resist the force of our arguments if we can show that we can get a solution to the problems. I believe that the Community now has within its grasp the opportunity to solve these issues. And if we solve them we can reverse the tide of public opinion in Britain about Europe. That is what I hope we will be able to do as a result of our debate, and as a result of our conclusions today.

(Applause from the European Democratic Group)

President. — I call the Commission.

Mr Dalsager, Member of the Commission. — *(DA)* I have just been talking to Mr Giavazzi, who did not think the Commission was present at this debate. I am, of course, aware that I cannot completely take the place of the President of the Commission, but as far as a physical presence is concerned, one can normally observe that I am present, as Mr Giavazzi too has now realized. I was present throughout his speech, which I listened to with great interest.

I was able to discuss the report drawn up by Mr Delatte with the Committee on Agriculture. It is an excellent report and I am sorry that its main points have not been taken into account in the Hopper report. In regard to the section on the agricultural policy in the Hopper report and some of the amendments, I confess I find it hard to see any reason why the common agricultural policy should be totally changed. I think most Members of Parliament will agree with me that the common agricultural policy has produced positive results and that there is no reason to change the underlying principles and no need for a total reform.

The Commission has drawn up a more detailed proposal on the necessary adjustments to the common agricultural policy in its guidelines for agriculture. It is true that there are still disparities between the regions of the Community in regard to income and general economic situation. But that is a problem that can not be solved exclusively by the common agricultural policy. We have already done what we could by way of drawing up proposals about this and implementing them with integrated development programmes in the poorest rural regions of the Community. And in the future too such programmes will serve as a guide for agricultural structural policy. But there must be a joint effort, as we have suggested, to solve these problems with the help of the economic, social and regional policies and the funds connected with the various sectors.

There appears to be some misunderstanding with regard to the adjustment of Community prices to world market prices. First of all, the Commission does not want to introduce a principle of this kind as a new element in the common agricultural policy. Secondly, the Commission has proposed bringing Community prices in the long term into line with prices in the United States in the case of cereals only, having regard among other things to competition between cereals and feedstuffs produced in the Community and substitute products imported from third countries.

I agree with the amendments calling for a dynamic export policy and the total abolition as soon as possible of all monetary compensatory amounts. You will find this in the Commission's latest proposal, although the detailed rules will not always be the same. The Commission has stated that we must consider how far we can go with direct income subsidies for poor farmers, but such a system can never take

Dalsager

the place of the intervention system. It would be too difficult, it would create problems of administration and supervision and give a lot of trouble both to the farmers and all the institutions. So the Commission believes that we must be extremely careful about such a scheme.

I wanted to make these few points, Mr President, so that they are not overlooked in the rest of the discussion on the section on agriculture in the report we are considering.

President. — I call Mr Pranchère.

Mr Pranchère. (*FR*) — Mr President, it is paradoxical that a debate of this kind should be taking place as a result of the mandate of 30 May 1980, which marked the capitulation of the Council, to which Mr Giscard d'Estaing belonged at the time, to Mrs Thatcher's demands, which were in fact inadmissible because they conflicted with the spirit and the letter of the Treaty of Rome.

In fact, what characterizes Europe best is the 10 million unemployed. What does the Commission propose in this situation?

Firstly, an economic policy which, on the one hand, calls for greater austerity and, on the other, suggests that jobs must be created and growth received. This is a complete contradiction. Austerity is, in fact, the cause of the difficulties over growth. It is not possible to create jobs in an economy geared solely to the capitalist 'profitability' of investments. If there is to be economic revival, it must be based on consumption by the people capable of genuinely maintaining production. All the Commission is doing is applying Schmidt's spurious theorem that today's profits are tomorrow's investments and tomorrow's investments are the jobs of the day after tomorrow. Life has proved the opposite, and unemployment continues to grow in Europe.

The Commission's second main line of approach is the completion of the common market. This plan cannot be achieved either. Firstly the national disparities and inconsistencies are considerable and the crisis is aggravating them. Secondly the much-commended enlargement of the Community would accentuate these disparities and would have a very serious effect on certain regions of the applicant countries and on France in particular.

The Commission, Council and Assembly are thus in the process of discovering that after 30 years of integration and ten years of structural crisis we have moved from Europe as a model of union to Europe as a crisis station.

This historic retreat is the result of the policy that has been pursued all these years. The complaint today is

that no one speaks of anything but money in Europe. But how could it be otherwise, since the basic mechanism of this Community, apart from the financing of agriculture is the financing of the social and economic costs of industrial and agricultural redeployment and restructuring? The Social Fund, the Regional Fund and Community borrowing and lending activities are designed to finance these costs at European level in the hope of cushioning their economic and political impact at national level. But how can we hope to achieve progress in Europe with objectives such as these? This is the mess brought about by austerity and restructuring, and there must be an end to it. Unemployment is an unacceptably high anti-social price to pay.

Restructuring the budget to reduce the money spent on the agricultural policy so as to spend it on other policies will not therefore solve anything, quite the contrary, even if savings are necessary and possible. The problem of employment and farmers' incomes would be aggravated by such restructuring, without it being possible to solve the problem of growth and industrial employment. What must be changed is the nature of European cooperation.

The memorandum from the French Government is therefore right to place the emphasis on employment in a social Europe. In our view, this goal must be based on a qualitatively different logic from that applied by the Commission, one which does away with austerity and economic stagnation. Placing the emphasis on employment means, in effect, abolishing malthusian agricultural policies and safeguarding farmers' incomes. For example, 30 000 jobs should be created in agriculture in France every year if the level of the farming population in France is to be at least stabilized.

Placing the emphasis on employment also means guaranteeing the conditions for industrial development in the traditional sectors and the key sectors in which the scientific and technical revolution is taking place today. This can be done through cooperation in research, development and innovation and in vocational training. Thought must be given to improving working conditions and reducing working hours. The problem connected with competitiveness or competition must and can be solved if, against a background of economic growth, the productivity of work and the very content of this work are improved through the application of new techniques.

Placing the emphasis on employment means systematically calling on all the trade unions bar none to give their opinion on the policy being pursued. Consultations between the social partners must become a fixture in European cooperation.

Placing the emphasis on employment also means demonstrating genuine solidarity with the countries of the Third World.

Pranchère

European cooperation and the Community may therefore represent a positive element that is complementary to the efforts made by each Member State to meet the demands of our age. But we must stop believing that the supranational process can lead Europe out of the crisis while it is sinking into it. The Commission is nevertheless proposing that we should continue along the same path. In a Community where the problems are so serious, where the disparities are so pronounced, precisely because of the policy of integration that has been pursued, there must be a true change of direction. The need for this is becoming urgent.

President. — I call Mrs Scrivener.

Mrs Scrivener. — (*FR*) Mr President, ladies and gentlemen, other members of the Liberal and Democratic Group have already had an opportunity to speak in this debate. I shall therefore refer only to the following aspect: most of the criticisms we have heard today have been levelled at the Commission.

It is true that, despite Parliament's repeated requests, the Commission has not been able to put forward practical proposals likely to be taken into account during the vote on the 1982 budget. It is true that this delay is basically due to the efforts the Commission has made to find out first what the Council feels about its initiatives. However, when all is said and done, let us acknowledge that the Commission has at least adopted a wide-ranging approach to the mandate of 30 May, the object of which is the revival of the construction of Europe. It would undoubtedly have been far easier for the Commission — as President Thorn said just now — to confine itself to the accountant's approach, pure and simple.

I believe we would be making a mistake if our criticisms were not levelled primarily at the Council's attitude, because for some time now, in the guise of grand European declarations of intent, we have been witnessing what is simply a very serious resurgence of purely national preoccupations. Unfortunately, the Council's deliberations on the mandate of 30 May have not changed this tendency. And it seems that the principle of the linkage between the three aspects — reform of the common agricultural policy, further development of the other Community policies and budgetary balance — has not been respected. Certain people would put the accent principally on budgetary adjustments, and that, as we know, will not come to much. There is obviously a gradual reversion to precisely that concept of the *juste retour* which the Commission has dismissed with the approach it has decided to adopt.

I therefore believe this Assembly has a duty to appeal to the Heads of State or Government to try to save what can still be saved before the next meeting of the European Council. It would be particularly serious if the only outcome of this meeting was an acknowledgement of the differences among the Member States.

That, Mr President, is all I wanted to say, briefly but very seriously, in this debate on the mandate of 30 May.

IN THE CHAIR: MR KATZER

Vice-President

President. — I call Mr Davern.¹

Mr Davern. — Mr President, first of all I wonder what we are talking about here today. The reason I say this is that the Hopper report is based on the Commission's memorandum, but in fact the reality of that whole memorandum has changed in the meantime. We are now talking directly here about the guideline documents issued by the Commission, which are based on speculations of the kind an astrologist might make for the year 1986. The figures and targets we set on this basis cannot be based on reality.

Of course, I would like to encourage the Commission in the stand it has been taking — a stand that this House has taken before — on raising the ceiling of VAT. Some approach this debate on the purpose of the mandate here today with the very negative attitude of trying to destroy the CAP, the one effective policy we have in the Community. If there are to be other policies — and we would encourage other policies — then we must consider the possibility of a greater percentage of the VAT return. I think that history won't thank us if we fail politically to take that task in hand and if the Commission lacks the political courage to negotiate on this basis of raising the ceiling of 2%.

We talk, for instance, about farm incomes. I come from a country which voted 4 to 1 to join this Community. I would now hate to have a return of that vote, because our farmers are demoralized and broke and have had very little help from the Commission over the past years. In fact, we hope that that position will be rectified by a genuine Community effort to assist the less well-off communities.

On the production of substitutes, I should like to say, Mr President, that the Commission document admits that many items of expenditure are charged to the EAGGF, although their real origin lies in Community trade concessions to non-Member countries, New Zealand butter being one case in point. The Commission goes on to say that the importation, at low rates of duty or duty-free, of manioc and corn gluten feed goes a long way towards accounting for the growth of

¹ *Agenda*: see the minutes of this sitting.

Davern

expenditure on the cereals and livestock production sectors. The Commission estimates that the cost of these trade concessions will be about 1.6 million ECUs a year. Maintenance of the principle of third country suppliers and substitutes and the introduction of arrangements to govern the alignment of prices and to ensure that the volume of imports does not exceed the present level — that's their sole answer to the problems of overproduction that this is creating in some areas.

Consider the case of Thailand whose present export level is equal to 100% production capacity. You wonder whose side the Commission is on in this instance. Furthermore, these imports from Thailand are, in fact, controlled by five European countries and not by the Thai Government. I don't believe that there is an honest approach by the Commission to this question. I don't believe that they are doing the right thing or that they have an honest interest in improving the position which is the worst in Europe at the present moment, namely, the farming position.

We have no surpluses left. We have the coresponsibility levy but no surpluses to distribute it on. We have over 200 million pounds left in the coresponsibility levy. Maybe now we are going to set up a money mountain or put the money into cold storage, as has been pointed out here in the past. The Commission proposals, if implemented, will mean the introduction of quotas, also referred to as production targets, by some peculiar means of assessment for 1984, 1985 and 1986. Thus a fourth principle is being added to the CAP which will have a serious effect on its existing principles and will be a mortal blow to the incomes of millions of people who are depending on agriculture. I believe, Mr President, that the guillotine is dead in France but alive and well and living in the Commission in Brussels today.

President. — I call Mr Fischbach.

Mr Fischbach. — (*FR*) Mr President, ladies and gentlemen, in this debate on the execution of the mandate of 30 May 1980 my group fully endorses the approach adopted by the Commission in seeking to place all the problems connected with the development of existing policies and of new common policies in both the political and the institutional context.

At the time of the Commission's statement on the mandate of 30 May last July, the President of the Commission informed us unequivocally that the success of the mandate would depend principally on the will of the Council of Ministers or of the European Council to tackle the institutional question as well.

Although this is the hope the Commission expresses to the two Councils, it has not shirked its own responsibilities but drawn up a summary document on inter-institutional relations. In this document the Commis-

sion first discusses the obvious institutional imbalance which has developed over the years in the Council's favour and to the detriment of the Commission and Parliament and therefore to the detriment of the Community as a whole. This is above all true of the Council's decision-making machinery. Thus the misuse of the Luxembourg compromise, with the disastrous effect this has had on the decision-making process, has constantly encouraged the Member States to back down from their commitment to the Community. This is all the more distressing at this critical time, when the Member States are all too prepared to renationalize problems which more than ever before require a solution at Community level where these Member States are individually incapable of solving them at national level. Thus the Commission, referring to the report by the Three Wise Men, more or less proposes that there should be a return to the faithful application of the Luxembourg compromise to the extent that a Member State wanting to prevent a vote because of the existence of a very important factor should make this absolutely clear and take responsibility for it on behalf of its entire government.

Although it can be regarded as a step forward compared with the present situation for a proposal of this kind to be taken into account, it is nevertheless doubtful whether this can bring about a decisive improvement in the Council's decision-making process. My group and, I believe, every convinced European feels that there is no alternative to the restoration of majority voting as provided for by the Treaties establishing the European Community.

With a view to creating a new type of dialogue with Parliament, the Commission has honoured its commitment of last February and devoted a large part of its summary document on inter-institutional relations to Parliament's role in the decision-making process. Whether it plays this role in wide-ranging consultations on any issue involving the Community's future before any formal proposal is drawn up by the Commission, whether it takes the form of parliamentary initiatives, to which the Commission says it is inclined to attach the greatest importance and that it will therefore and above all ensure that they are adopted in the form of formal proposals, or whether Parliament plays its role within the framework of the conciliation procedure introduced by the agreement of 4 March 1975, which the Commission feels might be extensively applied in the context of the mandate of 30 May with respect to any decisions with appreciable budgetary and financial implications, we have here, ladies and gentlemen, so many points that correspond to the basic concern felt by our Parliament and, to the extent that this concern is shared by the Commission, are at least worth discussing carefully during a major institutional debate.

My group is fully aware that today's debate hardly leaves sufficient room for an in-depth discussion of the institutional problems. That is why, precisely with the

Fischbach

object of ensuring that the mandate of 30 May is fulfilled, my group is anxious to see taking place in this Chamber at the earliest possible opportunity a debate which will enable Parliament to hold a completely frank discussion with the Commission on the summary document it has drawn up.

Like the Commission, my group feels that the fulfilment of the mandate of 30 May, a vast and perilous venture, can succeed only by striking a new institutional balance and having all the political institutions make a more generous and therefore more efficient contribution to the Community cause.

President. — I call Mr Kellett-Bowman.

Mr Kellett-Bowman. — Mr President, I have had the honour of serving in this Parliament for two years now and I believe that this debate is among the most important to take place in that time, because it seeks to pull together all the strands of Community policy and weave them into a coherent whole. For far too long, Mr President, Community policies have been cancelling out each other and destroying each other's effectiveness.

The common agricultural policy, to which Mr Davern referred, has been highly successful in raising agricultural productivity and maintaining a steady supply of homegrown food for European citizens. That is all very well, but it has had a regressive effect as far as the poorer regions are concerned. It has given least help to the least prosperous and most help to those countries and regions which need it least. If the Commission's recommendations are adopted, a regional impact assessment will be made in future of all Community policies, so that they reinforce each other positively, not negatively.

In these mandate proposals a great effort is being made to see that burdens and benefits are more evenly spread. In particular, in implementing the mandate new proposals have been put forward for a revised regional policy which will reverse the everwidening gap between the richer and poorer nations and the richer and poorer regions within the Member States. The document acknowledges not only that the resources devoted to reducing regional disparities are too small, but that such effort as there is is spread too widely and too thinly to be properly effective. Some of its operating procedures are still far too inflexible. The mandate proposals are designed to remedy these deficiencies and to bring the regional policy up to date, so as to meet the vastly changed and still changing situation in the Community by concentrating the Fund's budgetary resources on areas of greatest needs in order to enhance its effectiveness and increase its impact.

I understand from the President of the Commission that progress is being made in this direction. In the

beginning the worst deprivation existed in the isolated agricultural areas, which were then in most states based on subsistence agriculture. This is no longer the case, and the rural deprivation of today, with its depopulation, lack of local employment and unbalanced population structure, needs quite different remedies from the past if our rural areas are not to die but to retain or regain their old vitality as viable communities.

Today there is very substantial hardship in the older industrial areas, which are suffering from structural change, and the Commission's report of 24 June on the mandate is the first Commission document to address itself specifically to the problems of industrial decline. As time goes on we are getting better tools, for which Parliament has long asked, with which to build effective Community policies, better statistics, more experience of how policies are working out in practice, greater knowledge of the interaction of different Community policies and better ways of coordinating them. This document of 7 January on the regions of Europe is a mine of information, with exactly the sort of maps and graphs and tables based on Community criteria which at last enables us to compare the relative position of all the regions of the Community and thus work out appropriate policies. A large number of factors and indicators are used to assess the relative intensity of regional problems, and two indicators in particular — the GDP per head and long-term unemployment — were combined to give an index of relative intensity of regional problems.

The Commission, rightly in my view, is advising that help, as far as the quota sector is concerned, should be confined to those areas with below 75% of the Community average. However, at present statistics exist on a comparative basis only at level 2. This means that though the bulk of the bad areas, such as the North and the Northwest of England, are included in the proposals, certain parts with very serious problems, such as the Southwest assisted area, are excluded because they are included with the prosperous Southeast. However, at last we have proposals which relate to what actually exists and not to some imaginary situation.

What is equally important is that now there is less emphasis on bringing new outside investment into regions. This is something which has limited success, because there is little footloose investment to come in and then move on, stimulating those forms of development which already exist in the regions and helping them to exploit their own indigenous growth potential. The emphasis will be on encouraging medium and small companies to expand and to pool their research and know-how. Grants will no longer be confined to bricks and mortar, but will extend to support services and assistance to improve the marketing efforts and performance of those small firms which are so important to the well-being of the regions. They can play such a valuable part in conquering unemployment.

Kellett-Bowman

The quota section can never, however, be flexible enough to enable us to meet — even if it had the funds — all the various problems and crises which can arise. Many years ago this group suggested that 20% of the Regional Fund aid should be given on a non-quota basis to meet special needs and that local authorities should be closely involved in these schemes. The Commission at that time suggested 13%, and the Council agreed to 5%. This time the Commission is pressing for the 20%, and we shall certainly back them. There are, for example, serious problems in the textile industry which could be helped from the non-quota section.

Most important of all, regional and social policies, which are two sides of the same coin, must be very closely coordinated. We must train our young school-leavers for the jobs which will be available in the future. We must retrain our older workers and not throw them on the scrapheap.

Mr President, in short, we must see that the regions and their citizens get the better deal which was promised them in the Treaty of Rome and which alone can maintain and enhance the unity and strength of the Community.

President. — I call Mrs Poirier.

Mrs Poirier. — (FR) Mr President, having crossed swords with the farmers, some people imagine they have already got rid of them. One such person is the rapporteur, who is content with a few lines on the common agricultural policy while placing great emphasis on the fight against surpluses. But, as the Commission confirms in all its documents, the CAP is one of the essential aspects of the mandate of 30 May.

For the Commission in Brussels and for the majority of this Assembly, the principal objective is to increase the pressure on farmers' incomes by reducing the Community's agricultural spending in favour of the creation of common policies in other sectors. In its documents the Commission puts its foot hard down on the accelerator of its anti-farmer offensive with two main themes: the general application of co-responsibility and enlargement.

There is no question of our accepting this tendency. We shall continue to join with French farmers in preventing this from being taken to its logical conclusion. The French have also chosen to change this policy. The French Government has entered into commitments. It is with nothing but surprise that we hear the right wing of this Assembly predict the direst catastrophes in France, faced with the present open prospects, whereas in fact it was the policy on the right wing that created the present situation.

We therefore have a number of practical and realistic proposals to make, which will enable a commonsense

approach to be adopted towards the reform of the common agricultural policy, so that family farms are guaranteed a reasonable income, and ensure the development of our agricultural industry. That is the gist of our amendments to the Hopper report. We call, for instance, for account to be taken of the trend in the production costs of average farms when agricultural prices are being fixed, for greater respect to be shown for the Community preference, with priority given to the taxation of imported vegetable fats and substitute products, for fair competition between products of the same quality, particularly through the abolition of monetary compensatory amounts, for the rejection of limits on the quantities we produce and consequently of taxes on these quantities, for the establishment of a more dynamic export policy that is free of American supervision and of all political discrimination, for the cessation of negotiations on enlargement and for closer cooperation with the applicant countries on the basis of mutual advantages, for an improvement in the rules on Mediterranean products, which continue to be the poor parents of the CAP, and for more active solidarity in the fight against hunger and underdevelopment in the world and in the implementation of a major policy of cooperation with the developing countries.

From now on, these proposals will form part of our fight for a satisfactory increase in agricultural prices in 1982. The EEC has the means for this. It can firstly limit the derogations from Community preference, which would permit the attraction of considerable resources. It can also refuse to give the United Kingdom its present, which was moreover agreed with the complicity of a French Government that has been disowned by the French people. There is no reason why the Community should compensate the United Kingdom for the financial consequences of the economic choice it has made. The amount that has been allocated to it in the draft 1982 budget would be enough, for example, to finance a 17% increase in agricultural prices! Our proposals for an improvement of the CAP are realistic. They comply with the French Government's commitments.

However, we are well aware that the anti-farmer trend continues to dominate at European level. Our proposals will not therefore be fully effective unless our country keeps control of the development of its agricultural industry and the line it follows. We demand that, under the CAP, our country should have the means to implement the new agricultural policy which has the support of the majority of the French people. On no account do we want to see the changes the French are calling for jeopardized in Brussels or Strasbourg.

President. — I call Mr Nyborg.

Mr Nyborg, Chairman of the Committee on the Rules of Procedure and Petitions. — (DK) Mr President, I shall

Nyborg

start by saying, with regard to the 30 May Mandate, that the Council has bowled the Commission a really fast one, a hopeless task, and the result is what one would have expected. The Commission is attempting to establish a kind of 'fair returns' system, a quid pro quo policy, but, as we all know, this cannot be done. It is said that we must revise a number of our common policies, including budgetary matters. I have nothing against that, of course. But saying is one thing and doing is another. Up to now the Commission has put forward concrete proposals only in regard to the British contribution and the common agricultural policy. I fail to see why we must discuss the British contribution over and over again, because the British knew as well as all the other members of the Community what they were taking on when they signed the treaties. They have been allowed one renegotiation and now they are screaming about paying too much. It is the British who are the cause of many of the trials and tribulations we have had with regard to imports of agricultural products into the Community, which we have quite enough of, this being one of the causes of all the mountains and lakes which we have had in the various sectors, and then they have the cheek to demand to be rewarded for their policies by compensatory payments. And now the Commission is proposing that those countries which adopt the opposite approach and do what they can to export these mountains and lakes to third countries and do so successfully should be punished for their initiative because they appear to be making a net return from membership of the Community. This is really a nonsense. If the United Kingdom did what it should and bought its agricultural produce from countries in the Community and not from outside, we would not have to waste time talking of these things.

Therefore, to conclude I must say I find it remarkable that such an idea should have been endorsed by one Irish Member of the Commission, two French Members and one Danish Member, the Danish Member being, of course, the Commissioner for Agriculture himself!

President. — I call Miss Quin.

Miss Quin. — Mr President, I welcome the opportunity to take part in this debate and in particular to speak about some of the agricultural implications. I also welcome some of the Commission proposals, which I feel are along the right lines for reshaping and reforming the common agricultural policy. Mr Hopper's report also seems to welcome many of the Commission's proposals in the agricultural sphere.

Personally, I would actually like changes in the CAP to go further and to follow the lines adopted by the Socialist Group in the Barbara Castle resolution on the reform of the CAP earlier on this year. I am not at all happy, however, with the opinion on the mandate

which came from my own committee — the Committee on Agriculture — and which is contained in the Delatte document. To me, this seems to adopt the approach of just tinkering with existing problems, rather than really tackling them effectively. The approach seems to be that of just imposing yet more curbs on imports of food from outside the EEC, more taxes on imports from outside, and also pursuing a more aggressive export policy, no matter how many friends we may lose in the world as a result.

I believe, too, that the present situation, where there is a greater harmony between world prices and EEC prices, is an exception rather than the rule and that therefore the basic underlying problems do still need to be examined very urgently. The Committee on Agriculture also talks about the United Kingdom contribution in paragraphs 8 to 12 of the Delatte opinion, and unfortunately the suggestion there seems to be one of criticizing Britain for not having changed her traditional patterns of food imports sufficiently. Indeed, paragraph 9 goes so far as to say that the financial consequences of Britain's imports should be taken into account when working out the extent of the budget rebate.

Mr President, this completely fails to take into account how very much Britain has done in order to change her trading patterns upon entering the EEC. I will give the House one statistic which I feel is very revealing. In 1972 Britain imported 12.2% of her foodstuffs from other EEC countries. Today that figure is 47% and rising. I think this shift should be recognized. After all, other founder-members of the EEC did not have to change their patterns and turn away from traditional suppliers in the dramatic way in which Britain has done. And so Common Market membership should not be seen, as it seems to be in the Delatte opinion, as a kind of punishment for Britain but as an ongoing development which actually provides opportunities. Furthermore, I believe it is quite inconsistent for people who believe in free trade in industrial products between Europe and the rest of the world to wish Europe to retreat behind almost comprehensive barriers in agricultural products. Personally, I would like to see the balance between industry and agriculture redressed. I do not think I am in favour of absolutely unfettered competition in either industry or agriculture; but I do not see why each sector should be treated so entirely differently, as seems to have been the case up to the present time.

Unfortunately, the CAP, as it has worked up to the present time, has been very uneven in its regional effects. It has not helped many of the less-favoured agricultural areas — and I understand the problems that these areas are experiencing at the present time — but neither has it benefited adequately consumers in poorer urban areas of the EEC, especially in times where there have been surpluses, for these have not really been used to the benefit of the consumers in these urban areas.

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Finally, Mr President, I believe there are ways of ensuring a reasonable income for farmers and at the same time ensuring that consumers are adequately benefited in accordance with Article 39 of the Treaty. I think the Commission proposals go a certain way along this path and for that reason are to be welcomed.

President. — I call Mr Estgen.

Mr Estgen. — (*FR*) Mr President, I should like to make a few comments on social policy in the context of the mandate of 30 May.

We all know that we are going through a very difficult period at the moment, at both world and Community level. In these circumstances, it is essential for the role of the Community in all its political, economic and social complexity to be strengthened, and it is in these three areas that new, practical measures must be taken without delay to ensure progress towards European Union.

The well-being and social progress of each of our peoples and of each of our regions depends more than ever these days on the harmonious development of the Community itself. The first goal of European social policy must therefore be to strengthen the Community's role on the international scene, because, if this is not done, we shall fall back into disastrous egoism, with the poor regions of our Community rejected, both economically and socially. In the first place, the Community must therefore eliminate the obstacles that still hinder its further integration and then find effective solutions to the social and economic problems we all face in our Member States, albeit to varying degrees.

It is important, if not absolutely essential, for the Community to agree on a global economic strategy for the fight against unemployment and inflation. It is not enough to say, as the Commission has done, that what is needed is an employment policy capable of providing a cohesive response at Community level to the problems connected with unemployment. On that we all agree, but the practical indications in this respect are still a little too general and vague. In the interests of an effective social policy, top priority should be given to encouraging productive investment and to improving competitiveness, the only thing, in my view, which is likely to create permanent jobs, lead to economic recovery and reduce unemployment.

At Community level productive investments should be stimulated with Community financial instruments, and in this context particular attention should be paid to assistance for the small and medium-sized undertakings in the Community, since they are factors of economic and social stability. A satisfactory reduction in the level of unemployment in the European

Community cannot be achieved unless there is an enormous replenishment and increase in the productive capital available. If direct action is to be taken at Community level to tackle the problems connected with employment, it is absolutely essential for all existing Community instruments to be used to the full and for this to be done within the frame of a genuine dialogue with the social partners that is far more effective than it has been to date.

The fight against inflation is another key element in action designed to overcome the grave employment crisis. In addition to the social policies pursued by our Member States, a cohesive system of complementary social policies should be installed at Community level.

I should like to remind you in this connection of the resolution Parliament adopted in October on the basis of the report drawn up by Mrs Cassanmagnago Cerretti on social policy priorities, which represents a frame of reference that must not be forgotten. What we have is a range of priorities that must be borne in mind in the face of the problem of almost 10 million unemployed in the European Community. We must pay particular attention to a policy in favour of young people because, in a laudable attempt to achieve equality of opportunity and the humanization of our education systems, we have rather disregarded sound standards. We must get back to a system of vocational training more closely attuned to the real needs of the labour market.

Here the excellent report by Mr Prag on alternant training will always be useful. We must agree on a strategy for the alternant training of young people who have completed their compulsory education and link unemployment benefits to such training. We must also have intensive, coordinated consultations between the Ministers for Employment, Social Affairs and National Education with a view to establishing and implementing an employment policy for young people, boys and girls. We must therefore introduce a Community premium in our countries for the employment of young people.

We must also seek to adjust basic training, advanced training and retraining activities to the needs of industrial development and to the new technologies. Suitable jobs must be created for the handicapped and, to combat the very high level of unemployment among women, a whole series of measures must be adopted to permit the better development of equal opportunities for women, as regards access to education and employment, mobility and vocational training.

All this will obviously require an increase in Community action through the Social Fund. I would even say that the greater part of Social Fund expenditure should be devoted to vocational training and to the promotion of training activities likely to result in the creation of jobs. Similarly, this Fund should be used more effectively and intensively to develop the

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employment potential of small and medium-sized undertakings. Steps must also be taken to facilitate access by small and medium-sized undertakings to the Community's financial instruments so as to encourage innovation and the development of new technologies in this sector.

If we have the political will to improve our society, we must first ensure the existence of the economic base for all the measures envisaged. That is the undeniable criterion of credibility of any social policy. Hence the need to adapt industry to the challenges of the modern world. The changes that have taken place in recent years, in both the structure of world markets and energy costs, call for extensive industrial restructuring at Community level in order to develop industry, make it competitive and create productive jobs in Europe. The structural transformation of our economic apparatus is only in its infancy. And already we are lagging behind in terms of economic necessities and the achievements of other parts of the world. In fact, our society is still ill-prepared to contend with redevelopment and restructuring as fundamental as what we are witnessing today. There should be a Community policy, making optimal use of the resources available to our countries individually. The burden constituted by industrial sectors undergoing a long and difficult process of adjustment inevitably raises the question of Community aid to economic redeployment, the social effects of which must be alleviated. I welcome in this context the extremely important decisions the Community has taken with regard to the iron and steel sector. To safeguard the future of the Community's textile industry, it is essential for the present negotiations also to produce a satisfactory result.

I am convinced that the development of high-technology undertakings is essential if the Community's industry is to be competitive. But determined efforts must also be made to develop employment potential, particularly that of small and medium-sized undertakings, by encouraging their expansion.

Again with the aim of fighting unemployment, the Community should continue and step up its efforts to help the regions. Particular attention should be paid to the problem of the less-favoured regions, especially those where employment very largely depends on farming, as is the case with certain Mediterranean regions.

Another area in which Community action should be strengthened is in the support it gives to economic recovery in the regions affected by the decline of traditional industries. An effective back-up measure in the fight against unemployment might be a suitable adjustment of working hours, which should be studied with the social partners. It would certainly release jobs, while improving working conditions and the quality of life, also an essential goal of any Community social policy.

In this context, thought must also be given to a new strategy for the redistribution of work following the introduction of new technologies: telematics, electronics, robots. Approximation of national legislation on working hours — part-time work, temporary work, flexible retirement age, overtime and so on — the equality of the sexes in regard to wages, access to vocational training and employment and social security, the problems encountered by migrant workers — here again, training programmes are essential — redundancies and, in general, the harmonization of the social security systems and family allowances are to be recommended.

If these objectives are to be achieved, the resources of the Social Fund should be increased more rapidly than the Community's general budget, as the Commission has said time and again. The reform of the Social Fund, scheduled for 1982, must be seen as an opportunity for improving its effectiveness. Its financial resources must be increased, and it must contribute to major efforts in the area of vocational training. But even more than this, it must be used to create jobs for young people and to retrain people. The Fund's resources must be concentrated on the regions with the greatest needs, particularly those which have been the victims of the decline of certain traditional industries. The same is true of the Regional Fund.

We must therefore reassert that we want to see progress in the Community process and above all a contribution being made, through the action the Community takes, to the solution of our social problems. The necessary financial resources must therefore be mobilized the moment they are needed. Of course, in view of the difficult budgetary position of each of our Member States, it would be unreasonable to increase their contributions without there being a specific and well-defined plan of action. We call for such plans of action for the Community's social policy.

I am firmly convinced that, if the present ceiling on VAT is maintained, there is a danger that unacceptable changes will be made to the very principles on which the Community is based. It would, moreover, be unrealistic and incompatible with the idea of a certain level of Community dynamism to want to declare that for an indeterminate period own resources may not exceed the 1% ceiling. A provision of this nature would amount to the sterilization of Community efforts and — let there be no doubt about this — to the invalidation of any kind of social policy.

We must arrive at a global view of the Community's action in the social and regional fields. We must agree on the definition of a critical threshold for intervention below which any action would be illusory or at least ineffective and so avoid the dispersion, the wastage, the squandering of our resources.

I urge our Committee on Budgetary Control and the Commission to continue and to step up their financial

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control activities so as to prevent ineffective and useless spending. Now that interplanetary space has been conquered, we have to conquer social space in Europe, to fight unemployment and inflation, to maintain and improve the quality of life and the employment of men and women, who represent the true living force of Europe.

President. — I call Sir Fred Catherwood.

Sir Fred Catherwood. — Mr President, we in this group welcome this report, but it is not in itself enough to rid Europe of the terrible problem of nine million unemployed. To do that we have to persuade our governments to take joint action on a package which will persuade European business and investors from Europe and elsewhere that there will be growth in demand for which they must invest. Now we do not actually need a miracle to do this. All the policies are in place and they are in this report, but they need to be activated at the same time, with a sense of urgency and with enough dramatic impact to stir hope and to give vision and to create the broad political support needed to move member governments forward. This package must have four main policies.

The first is currency stability — that is absolutely basic. Business is done in currency. If our internal currency is unstable, business will be unstable. If it is stable, then business begins to have confidence in taking the risks needed for new technology, new investment and new jobs.

Secondly, we must have sterling in the European Monetary System, and the British Government have now moved a long way forward towards full membership. Expansion of the EMS to give currency stability is needed in its own right, and if this were made part of a package, it would probably give the extra impetus needed to persuade the British Government to come in and complete the EMS in the major Member States. The development of the EMS into a firm currency then sets the pace for other policies, especially action to move the European economy forward on a broad front, the most effective economies setting the pace instead of being held back by the slowest, the lowest rate of inflation setting the standard rather than the highest.

Today, if one economy moves ahead on its own, if one member government, like Britain or France, moves ahead, it simply attracts a rush of imports from those member countries whose demand is standing still, but if we all move ahead together, then there will be a massive push which can end this terrible recession. Then the growth in demand will be broadly shared and will create the needed jobs right across the Community.

Expansion in the depths of depression, with nine million unemployed, is very, very low-cost expansion.

It reduces public expenditure, it reduces business unit costs and therefore it limits very sharply the rate of growth in inflation. The commitment to expansion, of course, will only attract investment if the business community believes that it can be carried through, and they will want to know particularly how it is to be financed, since we run an overall deficit.

Now, we have already proposed and agreed in this House a treaty with the Gulf States under which their short-term bank lending, which currently disrupts international markets, not only our own, would be recycled into long-term funds which can be borrowed long-term by European industry or invested in long-term European projects. That in itself would actually lower the interest rate and that should more than cover the current deficit on trade, because that has been caused by the oil price rise. I am delighted that we heard yesterday from the Commission that all these discussions with the Gulf States are already getting under way. So we have decided that, and that is the third part of it.

Finally, to make assurance doubly sure, we should see what can be done on interest rates, both by agreement with the USA, using all our political power in political cooperation, and with the new strength of the EMS. We should also see what can be done directly on our own budget, for a lowering of interest rates does not cost all that much in the regions where unemployment is highest and investment is needed most.

Now that is a worthwhile task for this Parliament. It is one to which our group intends to give top priority and I very much hope that we will be able to mobilize support for that initiative, that package, right across this Parliament.

President. — I call Mrs Boserup.

Mrs Boserup. — (DA) Mr President, I am bound to say that I feel in more than one respect as if I were in a foreign country here. We are discussing a Commission report which, true enough, is translated into my own language, but which nonetheless I find obscure and difficult to read while for those who elected me it is sheer doubletalk. It indulges in self-congratulation in inflated and high-faluting language embroidered with the most tasteless phrases.

A few examples: on page 2, 'the Community can set an example to the world by adopting a constructive approach to the problems facing mankind.' What wouldn't I give not to be here! I wish people would desist from setting themselves up as examples and teachers for mankind. In any case, mankind embraces so many different peoples that any example that a collection of countries beset by the problems of late capitalism can give is completely useless.

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At the bottom of the same page we read: 'the Community will become a catalyst for peace and development as it already is for its Member States.' Swallow that if you can! A catalyst for peace! What are we to make of that in a Parliament which sees nothing wrong in talking about more warships and gunboats and whose most important committee speaks illegally and unrestrainedly of gunpowder and bullets and nuclear missiles in the context of Community action.

Is that a catalyst for peace? The kind of development that puts people out of work. A Community whose answer to this unemployment is centralization, power and more money. That sort of development I call the erosion of democracy.

The aim of the party I was elected to is to develop and expand democracy so as to include those without property, workers and other employees who are struggling to better conditions for their own lives.

Throughout this document we read references to convergence and, as I read here, 'a significant alignment of inflation rates'. Why not say straight out that the aim is a policy which will restrict the trade unions' right to fight for the maximum that can be achieved where people live and work?

The Commission wants to interfere with the hard-won rules linking wages to inflation and to try to reduce working time to the lowest possible level in the countries or industrial sectors where the trade unions are strong enough, that is politically strong enough, to have achieved such a thing. They want to restrict the influence of the workers and take from them the very things they have achieved in their own countries.

Capital, on the other hand, is to be left completely free. There is still no demand for investment in poor regions, no questioning of the right of employers to direct and divide work, nor of their right to close down and transfer undertakings. This freedom and this right have been used by capitalists in this Community, and entire towns have been laid waste as a result. There are 10 million unemployed and the Commission's report on the Mandate of 30 May is pretty half-hearted about trying to solve that problem.

It speaks generally about free movement and the common commercial policy, but on page 4 there is a reference to 'additional policies to cope with specific situations which market rules alone cannot regulate satisfactorily.' I am glad to read that market mechanisms cannot cope with everything, as we are accustomed to hearing.

These additional policies are not, of course, specified in this document, but in another one. But we have it here — the 5th medium-term development programme. Here one can see that the working-class is to be starved into submission, that services and

production in the public sector are to be reduced and that this will produce an improvement in living standards. Ask the British what kind of improvement that is — poverty and unemployment!

President. — I call Mr Griffiths.

Mr Griffiths. — Mr President, the survival of this Community will depend upon the successful settlement of the issues raised by the 30 May mandate. It is generally believed in this House that in presenting only broad policy directions, as the Commission put it, they have appeared to be over-cautious and even indecisive in their response to the Council's request of 30 May. This criticism has been partly dealt with by the publication of a number of Commission communications and proposals which put a little flesh on the mandate skeleton. Of these the only concrete proposals for action arise out of an already belated need to review the guidelines of the ERDF.

Without preempting the report which the Committee on Regional Policy and Regional Planning will put before this Parliament, it can be said that Commissioner Giolitti's proposals are a step in the right direction — a step which will help to concentrate aid where it is most needed. At the same time, if this year's budget were shared out on the basis of the new proposals, the quota part of the fund would provide only some £ 12 million and some £ 7 million respectively to the major beneficiaries from the changes — that is, Italy and the United Kingdom. While recognizing that this omits the extra spending from which both would benefit under the enlarged non-quota sector, the figures serve to underline the relatively small amounts which would be involved, given the existing distribution of money in the budget.

It is, therefore, absolutely crucial for the Commission and the Council to accept that if investment in the regions is going to match the needs of the regions, there will have to be a major increase in the size of the Regional Fund. In terms of the growing regional disparities underlined by unemployment rates more than twice that of the central areas of the Community, a doubling of the Regional Fund would be a sensible, essential part of a strategy to achieve economic convergence. The Commission and the Council must be prepared for such action if the mandate is to provide some effective answers to the Community's present problems.

Yet, it is also more than a matter of the size and the allocation of the Regional Fund. It is no accident that most of the Community's poorer regions lie on its periphery. To persuade private capital to invest in places like Southern Italy, Ireland, Scotland, Wales and the North of England, beautiful though all these places are, requires, all too often, gigantic bribes officially sanctioned by governments to already wealthy

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corporations in the guise of investment grants. Governments, however, do not have sufficient money available to counteract the tendency of capital to be invested in the already rich and economically active centre. The Commission and Council must therefore look beyond the role and size of the Regional Fund if they are to tackle the growing problems of regional disparities. If they do not, there will be no fresh impetus for the Community. The growing problems of the regions will lead to its disintegration.

Mr President, in conclusion, I look to the Commission to take a bolder and wider approach to solving the problems from which we presently suffer.

President. — I call Mr Tuckman.

Mr Tuckman. — Mr President, I am delighted to be able to speak in this debate because it should concern the very core of what we are trying to do here.

We have, up to now, been very successful in looking after one part of our economy, and that is agriculture. In reality, however, this concerns about 7% of our total population as against something of the order of 30 to 40% in industry. And for that part of the population, that part of our endeavour, that part of our ability to live, the Community has done very little.

It has made a start; it has tried to rescue the steel industry by doing that which again goes against our professed beliefs: namely, we have set up a cartel, even though it is not called that.

We are today engaged in a very hazardous enterprise in trying to save our cotton, textile and clothing industry. We are hoping that the Council of Ministers will stop bickering and come to an agreement, so that tomorrow at Geneva they will be able to stand up as one EEC and negotiate with the rest of the world and in particular with the Far East and underdeveloped countries who are flooding our markets. We are having to adjust our ideas all the time in order to be able to cope in the modern world.

I am making the same demand on the EEC in all its institutions, not just the Commission, not just the Council, but also ourselves, in saying we must now begin to think about industry. I do not know how far people have yet grasped the fact that in this industrial situation lies not only the core of our problem but also our big opportunity.

We talk all the time of 10 million — or nearly 10 million — unemployed. There are, happily, very very many more people who are employed, but these 10 million are a problem and unemployment can destroy people. We have got to find a way round that. And I would like to suggest that there are three approaches which are practical and necessary.

Obviously the first is not to go along the Socialist road of trying to share jobs but paying each one of those who are doing the shared job as much as the individual who was doing it alone. If we do that, we put ourselves out of competition, and commercially speaking we would die because our competitors are not interested in our comfort, they are interested in their own markets. And our competitors are not just capitalists from America, they are also the people of the Far East and of the South, in this North/South dialogue language, who are poor and who may be of any kind of political persuasion.

We have got to be efficient — that is No 1 — and I know it applies as a demand to my own country first of all, but it even applies to Germany, which is the richest of us all. We cannot compete if we do not remain efficient.

The second thing is that we pride ourselves on our European culture. We think that in many respects we are that much more clever than that uncivilized lot, as some people call it, the Americans. But that is really not good enough. We can only have this culture if we also go out and are as enterprising as the other people. And in this respect I am extremely worried that the new jobs, the new enterprises, the new risk-taking and risk-takers are not about. We just do not see enough of them. I am very much concerned that small and medium-sized businesses should spring up. But, you know, it is extremely difficult in this age to get a man willing to take a risk when his wife says, 'you are going to put a mortgage on our house, you are going to put our home at risk'. It is so much more comfortable to stay in a pension-earning job than to go out and risk starting up a new business.

But even if both my main demands in the end are met, if we manage to have more jobs, if we manage to become more efficient, there will be left, as far as I can see, a large core of unemployed people.

The third demand, then, is that we must find ways and means of giving the unemployed self-respect, even if it is a temporary unemployment, much more so if it is a permanent one. I do not think we will be able to find the balance in our economy at that wonderful point where full employment occurs. I think we have got to accept that we have got to live with some people not having a job.

So I make the plea that, as part of this total package which the Commission is putting before us as the way we should go, there should be serious consideration given to industry and to how we should handle it. We are indulging in mere ideological delusions if we believe either that the State must do it all or must not interfere at all. The most successful economies — those of the USA, Japan and, in part, France — are mixed economies, and that is that we have got to live with.

President. — I call Mr Glinne.

Mr Glinne. — (*FR*) Mr President, you have received a proposal from the chairmen of several, if not all the political groups that, after this important debate, the matter should be referred to the appropriate committees of Parliament, that is to say, to the Committee on Economic and Monetary Affairs as the committee responsible and to other committees for their opinions, and that it should be debated again in the House next February.

As the text is sufficiently explicit, I shall not read it out or explain it in detail, but I should like to say a few words about the reasons for the Socialist Group's support of this proposal. Furthermore, this initiative was prompted by a large part of this group. I wish to point out straight away that this suggestion in no way signifies negative criticism of the content of Mr Hopper's report, which was unanimously adopted by the Committee on Economic and Monetary Affairs.

But we do feel that Parliament cannot make a useful and clear statement on the fulfilment of the mandate of 30 May until the Commissioners carried out the mandate to the full. Parliament cannot properly, I was going to say, vote on a series of proposals which are still being put forward, on which we have not been consulted in their entirety and the rest of which have yet to be submitted to us. There is reference to seven documents, soon to become a dozen. It does not seem really wise to us to take a vote now on a subject on which we have not spent sufficient time.

Those who have spoken on behalf of the Socialist Group during this debate have expressed their concern at the manner in which the Commission has so far fulfilled the mandate it has been given, and this concern has been emphasized by Mr Moreau and Mr Lange in particular, who are also the chairmen of the two committees principally concerned.

My group has always supported the proposition that the mandate of 30 May must be interpreted very broadly, and the discussion of the mandate must not, it seems to us, be confined to figures. This is not to say that it should become global and general to the extent of sight being lost of the need for certain practical and urgent decisions to be taken on the content of the budget and its economic and financial impact.

It is quite clear that the Community is again threatened by a serious crisis, and if it is to overcome this crisis, the Commission should, we feel, put forward not a series of partial proposals but a genuine programme of necessary action to avoid a repetition of the budgetary crisis and to give the Community a sound and lasting financial basis for recovery.

This programme should, in our view, encompass the following points, in the order in which I give them:

firstly, the restructuring of the present budget up to the 1% limit on value added tax. Then, the creation of a system of financial equalization to reassure all the Member States by guaranteeing each and all of them that a problem like the British contribution can never recur. Thirdly, we believe that proposals must be made for the future financing of the budget, this to include the level of own resources.

Those, Mr President, are the three crucial points, in our opinion. We feel that an approach such as this takes account of the political realities we cannot escape.

To revert to the proposal by the group chairmen that this matter should be referred back to committee, I would add that what we do will have a great deal more significance if, after the appropriate committees have reconsidered the whole issue, we are completely in the picture as regards the proposals put forward by the Commission.

President. — I have a request that the Hopper report be referred back to the relevant committees, so that it can be debated in the House during the February part-session.

I call the rapporteur.

Mr Hopper, rapporteur. — Mr President, I do not object to this, but I would repeat the comment that I made earlier, which is that I hope that the most careful consideration will be given to ways of coordinating the opinions and reports of the different committees. I fear two things. One is that the reports of the different committees may not be ready by February but may appear in March or April. The other is that they may push in different directions and that the whole approach of Parliament to this extremely important subject may be, so to speak, Balkanized. I would ask the Bureau therefore to address itself to the question of coordination.

President. — As far as your second point is concerned, Mr Hopper, one can never know how the vote will go. However, with regard to the first point about which you are concerned, namely, that this matter might drag on beyond February, we are agreed both in the Bureau and in the House in general that this will not be the case. If we do decide here to refer it back to committee, we shall leave nothing undone to see that it is debated at the February part-session.

(Parliament agreed to the request but decided to continue the debate)

I call Mr Bocklet.

Mr Bocklet. — (*DE*) Mr President, ladies and gentlemen, in view of the problems that have been

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discussed in the Committee on Agriculture as a result of this report on the mandate of 30 May, I can only welcome the decision to postpone the adoption of Parliament's opinion until February, simply because the part of the report submitted by the Commission in June that deals with the agricultural policy was very general and because it is only now, with the submission by the Commission a few weeks ago of a memorandum containing a multitude of specific details, that we can see more clearly what its intentions are.

I should like to pay the Commission a compliment in this connection: its paper is a diplomatic masterpiece, although it has been drawn up with an eye to the general feeling in the Council. Everything we should basically like to hear from the Council is in there. It reflects virtually every point of view that has been put forward in the Council. But no practical conclusions have been drawn. It is a comprehensive description of the situation in the agricultural industry in the Community and above all — I am glad to say — in the most important competing countries. But it remains no more than a collection of measures for the various sectors, amounting to a mail order catalogue rather than a concept, which, of course, detracts from its value.

I should like briefly to refer to a number of fundamental points. First, there is the setting and limiting of production objectives and second, the price policy, which is conceived as a cautious price policy or even as a reduction in agricultural prices.

In this context, I should like to discuss the problem of the reduction of agricultural prices, which — to put in cautiously — is described as the approximation of Community prices for agricultural produce to world market prices and, as such, is considered necessary. We all know that the world market prices of agricultural products are predominantly political and often manipulated prices and are therefore completely unsuitable as a yardstick. For various reasons, this proposal is in the interests of neither the consumer nor the national economies of the Member States of the Community. Owing to the extremely unstable situation on the agricultural markets, the consumers of the Member States of the Community could expect food prices to fluctuate wildly. In the long term, one-sided dependence on the world market is even likely to result in a very sharp increase in food prices.

Developments in the energy sector ought really to be sufficient warning and prevent us from making the economies of the Member States of the Community dependent on the world market in a second important sector of basic supplies to the public. Since domestic production accounts for a declining share of food supplies, it might no longer be possible to meet demand for foodstuffs in a crisis. In addition, increased food imports would lead to a substantial rise in the current-account deficits of the Member States of the Community. At a time when incomes in agricul-

ture are already falling, freer access to the Community market would result in pressure to adjust which would endanger or destroy the structure of farming in many parts of the Community. And destruction of the structure of farming would have far-reaching effects on the population and economic structure and the labour market situation in rural areas.

The backward farming areas of the Community in particular would be no match for rival agricultural industries overseas. Farming would therefore go into decline in precisely those areas in which particular importance is attached to the continuation of farming for regional policy and ecological reasons. In other farming areas increased competition could result in the type of one-sided and intensive farming that is undesirable for environmental reasons. In cattle farming there would be a growing trend towards non-land-based production with increased pollution.

To summarize it must be said that the abandonment of the Community preference in agricultural production would lead ever further away from the goal of maintaining an agricultural industry based on family farms and capable of preserving the fertility of the land, producing high-quality foodstuffs at reasonable prices and ensuring supplies to the public even at times of crisis and also of contributing to a balanced structure of the land and to the preservation of the landscape.

On the other hand, the Commission has referred to a number of positive aspects of the aid question in its paper. To conclude, I should just like to put a question to the Commission, because I am somewhat puzzled by point 49 of its memorandum on the mandate of 30 May. With the President's permission, I should like to quote the following sentence: 'If an aid that is incompatible with the Treaty is paid by a Member State, the Commission reserves the right in future to invoke the rulings of the Court which require the recipients to reimburse it'.

From this it might be concluded that the Commission has not abided by the judgments of the Court of Justice in the past. But that would be an extremely dangerous situation, if this is the correct interpretation of the text. If it really has not abided by the judgments of the Court in the past, I can but urge it immediately to revert to a course of action that corresponds to the rule of law. I have the impression that this negligence and consideration for the furrowed brows of certain Member States has led to the uncontrolled growth of subsidization. The Commission does not therefore need to announce something that it intends to do in the future, but simply fulfil its legal obligations under the Treaties, in other words, abide by the law applicable in the Community and pronounced by the Court of Justice.

President. — I call Mr Alavanos.

Mr Alvavanos. — (GR) Mr President, the representatives of the Greek Communist Party in the European Parliament would like to make the following basic observation on the Commission's report on the mandate of 30 May 1980.

On the one hand, the Commission is forced to admit that Western European capitalist integration which has been the dominant policy pursued by the European Communities hitherto has reached an impasse, if it is not actually bankrupt. On the other hand, rather than considering certain genuinely constructive proposals such as those put forward by my colleague, Mr Pranchère, of the French Communist Party it seeks radically to step up the process of capitalist integration. This is the aim behind the measures for promoting economic and monetary union, for increasing the Community's own resources, Community enlargement and even the review of the Treaty of Rome proposed in the Commission's report.

If a person has a cold, we do not believe that you can cure him by giving him pneumonia; and if the Commission believes in this dangerous remedy, then Greece — a small and relatively weak European country — is hardly a suitable guinea-pig for such experiments. Greece does not need further integration in the EEC and in Community policies, but rather it needs decisive measures to rid it of supranational ties within the European Communities so that it can regain national control of its policies.

Last week's events concerning a product of special interest to Greece — Cretan cucumbers — were typical: thousands of tonnes of Cretan cucumbers had to be destroyed owing to the very low withdrawal prices. This is because the previous government pursued a one-sided policy of directing exports to EEC markets. At the same time the EEC last week imposed levies on Greek cucumbers when the market was already flooded by similar products from the Canary Islands. The solution is not, of course, to eliminate Greek cucumber producers but rather to redirect Greek exports so as to include socialist and other interested countries who submit concrete proposals. However, the EEC at the very least discourages this kind of approach by means of economic and political mechanisms.

While therefore the large West European monopolies seek to press ahead with integration as the Commission's report states, our country — with the interests of its workers and its products at heart — wants rather to rid itself of the present restrictions imposed by the EEC and to participate on equal terms in the international and not the NATO division of labour.

Finally, I should like to point to a fundamental contradiction in the Commission's position: on the one hand its policies are based on a philosophy of free competition, of a free European market, and on the other hand this freedom implies the abrogation of the

freedom of each individual Member State and in particular of minor, relatively weak countries such as Greece freely and independently to define their economic policy. For this reason perhaps one of the most fundamental policies outlined in the Commission's report is the promotion of political integration which means a new and decisive attack on national sovereignty; Mr O'Kennedy's speech is indicative of the attitude of the Commission as a whole. Mr O'Kennedy said that the European Council which is due to meet in a few days time will be more difficult than the summit of 30 May 1980 owing to changes in its composition as a result of recent political changes in the Member States. It is clear that the Commissioner, Mr O'Kennedy, is here referring to the new Greek Government under Mr Papandreou, among others. And the Commissioner asked the European Parliament to vote in favour of the plans to step up Community integration proposed by the Commission so as to be in a position to exert pressure on certain governments such as the Greek one. We therefore ask Mr O'Kennedy to adopt a clear position on this issue which we have interpreted hitherto as an unacceptable attempt by the Commission to use this debate in the European Parliament on the mandate of 30 May as a lever against the new Greek Government when Mr Papandreou makes his first appearance at the European Council.

President. — I call Mrs Gredal.

Mrs Gredal. — (DA) Mr President, my remarks in this debate will not deal specifically with Mr Hopper's report, since it is an interim report. Instead, I want to say a few words about the Commission's implementation of the 30 May mandate.

From the viewpoint of Danish Social Democrats there are some sensible and some not so sensible ideas in the Commission's various texts. Its ideas on new policies are basically reasonable though not very specific. On the employment question, in particular, the Commission is extremely imprecise. One might have expected far more wide-ranging proposals on this, not least in view of the conclusions of the so-called Jumbo Council of Ministers meeting and also of the 10 million people who are unemployed in Europe. Even apart from this, if the European Community is to demonstrate to ordinary workers its right to exist, we must ask the Commission to put forward really concrete, substantial proposals. For example, it should learn from the job-creation schemes for the youngest groups of unemployed which have already been introduced by some of the Member States.

As regards the changes in the agricultural policy recommended by the Commission, we consider that these are necessary. We need a price policy better adapted to the world market, that is, a careful price policy combined with certain production targets. Such

Gredal

a policy is needed not least in the cereal sector. In this connection there is much to be said for applying the principle of co-responsibility generally in sectors of surplus production; we also want to see a more dynamic export policy for processed agricultural products. On the other hand, we have reservations about the Commission's idea of introducing direct income subsidies for farmers. We are opposed on principle to social or for that matter regional measures being implemented through the agricultural policy. Apart from this, we can by and large endorse the Commission's proposals for reforming the common agricultural policy, above all because they do not depart from the fundamental principles of that policy.

I am sorry to say, however, that we feel less accommodating about the Commission's proposals for reforming the budgetary mechanisms, which would make the arrangements for compensating the United Kingdom virtually permanent. Here the Commission has allowed itself to be guided by the British and German idea of calculating Member States' net contributions. According to this you set what a country receives from Community funds against what it pays into the Community budget. We think this quite unacceptable. Such an approach not only departs from the principle of shared responsibility for Community policy and hence is contrary to the Commission's mandate, but it can also have far reaching implications for the whole approach to cooperation in the Community. It may be possible to find a solution to the British problem for 1982, not least since it appears that the level of compensation for 1981 has been too high. Thereafter, however, no such compensatory payments should be made to any Member State not at least until common policies have been adopted for new sectors and the necessary reform of the common agricultural policy has been carried out.

President. — I call Mr Balfe.

Mr Balfe. — Mr President, the contention of the group which I represent is that the document we are considering today does not in full discharge the duty imposed on the Commission, and certainly in two crucial areas: first, how to avoid a repetition of the argument about national payments and secondly, how to achieve a better balance of expenditure within the 1% limit. We feel that the Commission itself has consciously conspired to limit its own right of initiative — in other words, that it could have been much more open and much more innovative in the document which it has put forward.

Parliament, of course, cannot do the Council's job, nor can it do the Commission's job, we can only comment on the document we have before us, and there has been little to suggest that in the period since its publication things have radically changed. Although this Parliament is often accused of not really knowing

what it wants, we have, in fact, been fairly consistent on four aspects of our policy: firstly, we have consistently looked for a reduction in agricultural expenditure as a proportion of the budget; secondly, we have had a number of shots at looking for a system of financial equalization; thirdly, we have consistently tried to shift expenditure towards the most needy regions; and fourthly, we have said as a general principle that we should not favour an increase in the Community's own resources until restructuring is on the way.

Now much is said in this Parliament about the subject of agriculture. I believe I am the only Member of this Parliament who can claim to have a constituency which does not contain one single farm or even a little smallholding growing tomatoes. Therefore, in some ways, I am probably the best qualified to comment, because none of my constituents stands to gain from the policies which were adopted. At a time when there are so many unemployed people within the Community, we clearly have to distinguish between agricultural policies which force the marginal and small farmer out of business and those which are designed to rationalize the market and to penalize the large efficient factory farms. There is nothing to be gained from a policy being adopted by this Parliament at this time of high unemployment which overtly penalizes the smaller or the poorer farmer, because we in this group are well aware that we are not only here as defenders of the agricultural or the industrial interest; we are, of course, principally here in order to build a democratic, socialist Europe. That means that we must be in favour of policies which are broadly beneficial to the smaller and the poorer person, whether that person be an agriculturalist or an industrialist; if he is a worker, someone who relies on his own work for his livelihood, we must look for policies which will benefit him. This is not inconsistent with the reform of the agricultural policy, much of which is, in fact, directed not to the smaller and poorer farmer but to the bigger and richer farmer, whom the subsidy structure often benefits disproportionately.

This brings me to the next point, which is the vexed question of New Zealand and imports, particularly by one Member State, from outside the Community. In fact, that particular Member State — Great Britain — has, of course, increased its imports of food from within the Community dramatically, but we are still faced with a problem which in many ways is not an agricultural problem. It has always been seen as a part of the strategy of some countries of the EEC to maintain a sweet relationship with New Zealand because of the implications for defence and the foreign policy of Western Europe. This more than anything else is the reason why we have maintained preferential access for New Zealand and why we continue to do so. But this is a burden or an objective which one Member State can no longer be principally responsible for. It is time that the Foreign Ministers meeting in political cooperation faced the fact that the Community itself needs to

Balfe

develop its policy towards the states of the South Pacific and decide what sort of relationship on a continuing basis they see those states as having with this Community, because that is what is and will remain at the root of the continual disagreements and squabbles between this Community on the one hand and New Zealand particularly and to a lesser extent Australia on the other.

We have also within this group and within this Parliament looked for a system of financial equalization. I think many of us, if not the great majority, would reject the concept of *juste retour* in the sense that it implies balance-sheet economics. What we cannot reject, though, is the sense of *juste retour* related to the general principle that money should be taken from richer people in order to distribute it to poorer people in the interests of social policy. It is not acceptable that any one large Member State, whether it be called Germany or Great Britain, should pay a disproportionate share of the Community's budget. Not only is it not acceptable, but within that policy are sown the seeds of destruction of the very Community which so many people around here value a great deal more highly than some others. Any system which solves the financial problems of this Community must take into account the proposals put forward by my colleague, Mr Arndt, in his annex to the Spinelli report, because until a system is devised which all of the Member States can see is a continuing system, I do not think that there will be agreement to increase own resources within the Community.

The final point I want to make is this: the Community has often said that its only policy is the common agricultural policy. This will clearly remain so within the present system and within the present limitation on resources. Any development of new policies and any major shift in the balance of expenditure is going to depend upon solutions being found to the basic problem of this Community which will enable its further financing to be done in an equitable and acceptable way. Until that is done, it will not be acceptable to the majority of Member States of this Community — and it needs to be acceptable to them — that the extra finance which may be needed for the extra policies will never be forthcoming. At the moment we have to remember that Europe is in a situation where the Member States are short of money and are cutting back on expenditure. It is against that background that we have to face and look forward to a more positive debate when we return to this matter in February.

President. — The debate is closed.

6. Acquisition and control of office supplies and equipment by the institutions of the Community

President. — The next item is the report (Doc. 1-624/81) by Mr Price, on behalf of the Committee on Budgetary Control, on the budgetary control aspects of the acquisition and control of office supplies and equipment by the institutions of the European Community.

I call the rapporteur.

Mr Price, rapporteur. — Mr President, this motion for a resolution and report represents part of the work of the Committee on Budgetary Control relating to the administrative budget. This area is quite obviously very different from most of the other budgetary areas of the Community. For example, this Parliament spends a lot of its time urging increases in expenditure on such things as the Regional and Social Funds. What we are seeking to do in respect of the administrative budget is, on the contrary, to ensure that we use as little resources as are reasonably necessary to carry out our administrative tasks.

The particular area of concern is that of office supplies and equipment, and here we have the advantage of a very detailed and very useful report from the Court of Auditors analyzing the way in which the Community institutions at present go about their acquisition of office supplies and equipment and also the way that they exercise control over them once they have acquired them. That report has shown that there are a number of defects in the way the system operates at the moment. The criticisms relate not only to the Commission or Parliament but to virtually all the Community institutions.

The area is one in which Parliament has raised questions in the past during the discharge procedure, and this represents, on the basis of the Court of Auditors' report, the first really thorough analysis of what is going on here. Its importance can perhaps be judged from the fact that the cost of acquiring office supplies and equipment in 1980 was almost 24 m units of account. This does not include either the Office for Official Publications or the research budget. The Office for Official Publications is omitted because of the difficulty of extracting administrative expenditure from that total on their budget, and the research budget is of quite a different character altogether. So far as the value of the equipment and furnishings that we own is concerned, at the end of 1978 the figure quoted by the Court of Auditors in its report valued the furnishings and equipment shown in the inventories at just under 38 million units of account. By now the figure must be well over 40 million units of account, and again research assets are not included in that total. So we are talking about a sum which annually is significant, although obviously small in relation to our overall budget.

Price

At this point perhaps one might underline that it is going to be a growing sum and that this particular heading is one which will grow disproportionately with the increasing sophistication of office equipment in the years ahead. That is why it is important to get our systems right now. We are beginning to see equipment like word processors and so on, and in years to come we will clearly have computer terminals on virtually every desk in every office. When we get to that stage, the amount of money devoted to office equipment will be much more significant, although offset perhaps by correspondingly smaller increases in the number of staff and therefore in salaries.

The way in which this resolution approaches the subject, the strategy of it really, is this. We seek to underline the findings of the Court of Auditors which are very detailed and not at this stage to go over all the many points of detail they have raised in their report, but instead to seek a reaction from the institutions to what the Court of Auditors have proposed. We are seeking to use Parliament's powers as the discharge authority to request the institutions to act and to report. In that way we hope to achieve results, because generally we feel that the recommendations of the Court of Auditors are right.

The themes of the motion for a resolution might, I think, be summed up as follows. The first is cooperation. At the moment the individual institutions operate independently. We ought to be using the combined buying power of the Community institutions to get a better bargain. We are seeking in this motion to suggest that there should be some kind of joint agency to buy office supplies and equipment for all the Community institutions and thus exert that bargaining power. We are also seeking a single central advisory committee. That is something which the Court of Auditors recommended. We would like to stimulate discussion as to how that should be implemented, so that we can avoid different purchasing practices by the different institutions. The third aspect of cooperation is that we seek standardized contract documents, because again, as part of the idea of seeking cooperation and maximizing our buying power, we ought at the very least to be going about the exercise of buying in the same way in all the institutions.

So cooperation is the first theme. The second one is a tightening up of existing practices. The motion for a resolution calls for the financial regulation to be observed. That might seem to be something which goes without saying, but in fact the Court of Auditors' report reveals that in many cases in all the institutions the financial regulation has not been observed. This point does therefore require underlining. Also we need to ensure that the responsibilities of those involved in purchasing are clearly defined. Who has the responsibility of deciding in each of the institutions that some new item of equipment is required? At what point, at what level, is that decision taken and how should it be executed? That is something which has proved all too vague in most of the institutions at the moment.

The third theme is competitiveness. In general we are seeking better value for money, and the motion for a resolution elaborates on this point by urging that the call-for-tender procedure be used much more frequently. That is a procedure laid down in the financial regulation, and yet it is not used in all the cases where it should be.

The final theme is that of control. We hold a lot of valuable equipment, yet the inventory records are not always kept satisfactorily. Those defects must be remedied. Then there is the question of disposals. That equipment gets out of date and needs to be replaced. In some cases we are going to be selling off the old equipment. The existing practices are inadequate to get our best value for money when selling second-hand equipment.

So a lot of improvement could certainly be achieved in the area of control. I think our accounting system is one of the reasons why our control is not as effective as it might be, because we have the curious situation that we actually write off each year all the capital equipment that we purchase, instead of having a balance sheet whereby we indicate the written down value year by year and show what value we are actually holding and what an asset it is for the Community.

Those, then, are the themes of the report. We seek to achieve progress by asking all the Institutions to report. We ask the Commission to assemble, to put together, these detailed reports and to ensure that discussion takes place on the suggestions put forward here.

So this is not the end of the story. We are looking forward to a report back to Parliament within a few months and the opportunity to analyse how much action has been taken by the Institutions. I hope that this will represent a basis upon which we can advance and ensure that in this area we obtain better value for money.

President. — I call the European Democratic Group.

Mr Kellett-Bowmann. — Mr President, I welcome this report from Mr Price and would thank him for all the work he has done on this subject. The conclusions are easily drawn from his analysis of what is clearly shown to be a situation of costly mismanagement — costly mismanagement in all the Institutions, including the European Parliament.

Amendment No 1 stands in my name on behalf of the European Democratic Group. It seeks to amend paragraph 7 (b) in the motion for a resolution. This subparagraph suggests one or two agencies. On reflection, we believe it would be more business-like to create a single agency, and for this reason we do not believe it would be right to compromise by asking the

Kellett-Bowman

other Institutions even to consider setting up two. The costs of warehousing and the management of warehousing are always higher than the transport costs. A single agency would reduce costs without any loss in efficiency. I invite my colleague to accept this amendment. Mr President, two agencies would be a vast improvement on the present chaos, but a single agency would be even better.

President. — I call the Commission.

Mr O'Kennedy, Member of the Commission. — Mr President, on behalf of the Commission, I would welcome the report of the Committee on Budgetary Control and congratulate Mr Price, the rapporteur, on the clarity and relevance of his report and also on the clarity and precision of his introduction this evening. I think I can say that the Commission welcomes the emphasis in the report on cooperation, the first of the four themes which he again underlined here this evening — cooperation between the Institutions as regards the acquisition and control of office supplies and equipment. In fact, it has already taken an initiative designed to harmonize the purchasing and stock-keeping policies of the Institutions. With regard to the proposal for a central advisory committee on procurement and contracts, the Commission will certainly be ready to examine this with a very open mind on the basis of the, I think, clear and discernible criteria and need that Mr Price has outlined again this evening.

I should also mention that since information will obviously be required from the Commission, as one of the Institutions concerned, we shall be glad to supply information to Parliament on this important matter, and we will make every effort to present the global report that he has requested on the action taken by the Institutions within the rôle that he has envisaged for the Commission in this field. We shall present that report within the timelimit of seven months laid down in the motion for a resolution. It is, I think, a case of *res ipsa loquitur*, and I believe that the timing of the report and the recommendations are such as to engage the interest and commitment of all the Institutions. As the rapporteur has said, this is but the basis for future development, the basis for an advance. The committee has made a very important contribution, and the Commission certainly looks forward to acting in a positive way when it presents its response according to the timetable I have mentioned.

President. — The debate is closed.

The motion for a resolution will be put to the vote at the next voting time.

7. Historical archives of the Community

President. — The next item is the report (Doc. 1-542/81) by Mr Schwencke, on behalf of the Committee on Youth, Culture, Education, Information and Sport, on

the communication from the Commission to the Council (Doc. 1-237/81) concerning the opening of the Community's historical archives to the public.

I call the rapporteur.

Mr Schwencke, rapporteur. — (DE) Mr President, ladies and gentlemen, the historical archives of the European Community are of particular importance not only for experts — historians, students of political science and lawyers — but also for a wide public interested in European policy. The fact that they are being opened now, after 30 years, is very welcome, as is the fact that the location chosen by the Commission is Florence, where they will therefore be in the immediate vicinity of our European University Institute in Badia Fiesolana.

In its motion for a resolution on the European University Institute (Schwencke report, Doc. 1-148/81) in May of this year the European Parliament welcomed the release of the archives and their transfer to Florence and also called on all the other European institutions to transfer their archives to Florence. Our committee has been informed by the Commission's experts what preparations have already been made for the transfer of the archives. For example, a suitable building near our European University Institute has been made available by the Italian Government.

Mr President, we should be very grateful to the Commission for its initiative. The Italian Government must also be thanked for making this building available in Florence for the European archives.

President. — I call the Group of the European People's Party (Christian Democratic Group).

Mr Wedekind. — (DE) Mr President, ladies and gentlemen, the Group of the European People's Party welcomes the report on the release of the historical archives and the motion for a resolution it contains.

The siting of all the historical archives at the European University Institute in Florence will facilitate the work of the historians and will help students who are writing papers and doctoral theses in increasing numbers on the important subject of European unification and will continue to do so in the future. It is, after all, not insignificant that the number of papers written on the subject of European unification at universities has risen by well over 100%, and we should be happy about this.

Wedekind

Life can only be understood by looking back into the past, and we cannot understand European unification unless we look back at its beginnings and try to grasp the foundations on which it was built. We must also look to the future, without losing sight of the goal of the ultimate unification of Europe. If we are to come closer to the goal, we do not need floods of spoken and written words, but clear streams of purposeful action and strong thinking, for we shall be successful only if on the way to a united Europe we subject ourselves to an extremely unpleasant and painful activity, one that is generally known as thinking. It is a question of searching for the truth, and it is frequently forgotten that the search for the truth in archives very often — unfortunately for the one who seeks it — results in this truth being found.

The Commission's report points out that a number of documents are to be kept secret beyond the 30-year period. We would welcome it if the number of these 'secret documents' was kept extremely small. Nor do we feel, unlike the Commission, that the Member States should be prevented from releasing documents before the expiry of the 30-year period. We consider it generally a good thing for a Community country to release documents earlier.

What is most important, however, is that all the documents should be placed in a single archive.

In addition to the archives in Florence — that goes without saying — these documents should also be recorded on microfilm to be kept elsewhere, so that they can be replaced should they be destroyed in an accident.

Ladies and gentlemen, the history of Europe has always been positive when it has been inspired by a positive spirit. When this spirit was strong and good, it led to progress and success, and when it was weak and evil, it resulted in stagnation and regression.

May this strong spirit, which has inspired our European Community, prevail again, and may the spirit dominate reality rather than vice versa. When reality dominates something, that something has no spirit.

President. — I call the European Democratic Group.

Miss Brookes. — Mr President, history creates the present and the present creates the future, but it is today that is our responsibility. The record of our history is the fabric of our life, our culture and everyday events. The weaving together of these events and the recording of these events create the backcloth of the history of free Western Europe, and the records of those events are the content of the historical archives.

Many more people are undertaking research into the history of the Member States of the European Community and researching the machinery of our

Community as their projects for examinations and written publications or for sheer enjoyment and interest. It is only right that the historical archives of our Community should be open to the public.

This will give a new aspect, a new insight, and once more we can all share in the European historical backcloth. The opening of these historical archives to the public will enable all the people of free Europe, whether student or historian or housewife or tourist, to read not only of the great European events but of the everyday happenings recorded in our towns and cities. This will be an opportunity for European Community policy to be accepted without question and can only benefit all these people living in our free European Community. I beg to support this report.

President. — I call Mr Pedini.

Mr Pedini, chairman of the Committee on Culture. — (IT) Mr President, ladies and gentlemen, on behalf of the Committee on Culture I wish to thank Mr Schwencke for his most effective report, and I would like to join in what appears to be the universal intention to approve this resolution.

I am convinced that the Community, whatever its ultimate fate may be, has by now found a place in history. The documents concerning it should therefore be made available to the public, and I am grateful for the Commission's decision to this effect.

As a consequence of the approval of the Schwencke report, I once again make the recommendation that the University Institute of Florence be chosen as the site of the archives.

I am pleased with the universal agreement received by this proposal, and I hope that Parliament's recommendation can rapidly be put into effect.

President. — I call the Commission.

Mr O'Kennedy, Member of the Commission. — Mr President, I should very much like to thank the Youth Committee and particularly its rapporteur, Mr Schwencke, for his acceptance of the Commission's proposal that the Community records should be open to the public. I think it is particularly appropriate that his decision should have been commended by Parliament this evening, because it has been said more than once in the short debate so far that we must prove our respect for the past, a past which has been very significant in terms of the ideals of Europe, in terms of healing the divisions of Europe, in terms of our common commitment and obligation. I think we can best do that by demonstrating our commitment to build for its future.

O'Kennedy

I consider it a happy coincidence that this particular report comes before us on the same day that Parliament debated the Hopper report on the Commission's proposals for the development of policies for the Europe of the future. I fully support what has been said by the various speakers and by Miss Brookes in particular to the effect that a real understanding of the commitment that has made this Community what it is will better equip us to improve it in the future. For that reason Parliament's opinion in favour of the Commission's proposal will be most useful to the Commission in the forthcoming negotiations with the Council.

The report's endorsement and, in particular, the speed with which Parliament's proceeding in this matter were completed will help to ensure that the Commission's deadlines are met. As you know, it is the intention under the thirty-year rule to open the 1952 ECSC records to inspection from 1 January 1983. Here I would join with the rapporteur in expressing our thanks to the Italian Government for making available to us at a very appropriate cultural and historical centre of Europe, contiguous to the European Institute in Florence, the facility for the accommodation of these records.

I would just like to mention finally, by way of reassurance to Mr Wedekind, that Article 5 of the regulation provides for the examination at least every five years of the documents that have been classified, so as to ensure that, where possible, they may be declassified, within that period at least, with a view to making available these documents to the maximum possible extent to scholars, researchers and the public. The Commission intends to apply this in the spirit in which Parliament, I know, would wish to see it applied.

Mr President, I would like to renew my thanks and appreciation to Parliament, and particularly to the rapporteur, for the promptness, speed and positive approach with which they have drawn up this report.

President. — I call Mr Vandemeulebroucke.

Mr Vandemeulebroucke. — (NL) Mr President, I shall be very brief. I should like to refer to a number of deficiencies. The preparatory work that led to the Treaties of Paris and Rome is not included in the Community's historical archives. Only the Treaties of Accession qualify! I very much regret this, because it is clear that the preparatory work that led to the Treaties is extremely important for historical research. The historian cannot usually do without this information when studying European unification.

Secondly, there is no mention of Court of Justice documentation or of documents on the European Investment Bank. This important material must also be considered.

Thirdly, private archives will not be considered for inclusion in the proposed single archive either. I find this a pity. Examples here are the very important private archives of such people as Jean Monnet and Paul Henri Spaak and the private documents of European movements and organizations.

To conclude, Mr President, the deadline for the release of documents has logically been set at 30 years, but we should like to have seen the same period applying in all the Member States, so that there is no discrimination against historical research depending on the country of the researcher. I nevertheless thank the Commission for this initiative and also Mr Schwencke for his excellent report.

President. — I presume that the questions you have raised will be answered in writing by the Commission.

I call Mr Romualdi.

Mr Romualdi. — (IT) Mr President, I speak only to approve and to recommend the approval of the Schwencke resolution, and, therefore, in favour of the creation of a single center for documents relating to the history of the building of our institutions. Their transfer to Florence is particularly important on the cultural level, both because of what Florence represents and because of the fact that the European University Institute is located there. I hope that the Community will take an increased interest in the development of this Institute, so that it may truly become a centre of knowledge and instruction — and not only for history scholars but for the public as well — concerning the activities carried on in our Community directed towards integration, and therefore towards the creation of a united Europe.

President. — The debate is closed.

The motion for a resolution will be put to the vote at the next voting time.

8. Agenda for next sitting

President. — The next sitting will be held tomorrow Wednesday, 18 November 1981, from 9 a.m. to 1 p.m. 3 p.m. to 7 p.m. with the following agenda:

- Announcement of the list of subjects for urgent debate
- Joint debate on four oral questions on political cooperation
- Diligent report on the protection of shipping routes
- Johnson report on pollution of the Rhine

I call Mr Johnson.

Mr Johnson. — I want to clarify one thing, Mr President, about what you have just said. I think the Rhine report was the only report on today's agenda not taken today. You have just told us that it would be taken tomorrow at the end of the debate. I would like you to confirm from the chair, Mr President, that, in the event that we do not reach the item on the Rhine tomorrow, it will be taken on Thursday morning after Mr Genscher and after Mr Lega and before the other debates. I think that is important because that is what the order of the day I have in front of me states and I would like you to confirm it from the chair.

President. — I would hope that we will be able to take your report tomorrow.

To continue with the agenda:

- 3 p.m.: Vote on objections to urgent debate
- 5.30 p.m.: Question Time.

I would propose that the deadline for tabling amendments to Mr Johnson's report on the pollution of the Rhine be fixed for 10 a.m. tomorrow Wednesday, 18 November 1981.

I call Mr Johnson.

Mr Johnson. — I am slightly confused by that, Mr President, because on Monday the deadline for amendments was fixed at 6 p.m. on Monday. We already have a deadline, and amendments have been tabled.

President. — Anyone who would still like to table amendments may do so until 10 a.m. tomorrow.

(The sitting was closed at 7.05 p.m.)

SITTING OF WEDNESDAY, 18 NOVEMBER 1981

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IN THE CHAIR: MRS VEIL

President

(The sitting was opened at 9 a.m.)¹

1. *Topical and urgent debate*

President. — In accordance with Rule 48(2) of the Rules of Procedure, the list of subjects has been drawn up for the topical and urgent debate to be held tomorrow between 9 p.m. and midnight. This list includes 11 motions for resolutions which were tabled within the deadlines:

- 1) Joint debate on three motions for resolutions on enlargement of the Community.
 - motion for a resolution (Doc. 1-728/81) by Mr Klepsch, Sir James Scott-Hopkins on behalf of the European Democratic Group, Mr Bangemann on behalf of the Liberal and Democratic Group and Mr Fanti;
 - motion for a resolution (Doc. 1-730/81) by Mr de la Malène on behalf of the Group of European Progressive Democrats;
 - motion for a resolution (Doc. 1-746/81) by Mr von der Vring and Mr Hänsch on behalf of the Socialist Group;
- 2) Motion for a resolution (Doc. 1-669/81), tabled by Mr Welsh on behalf of the Committee on External Economic Relations, on the Multifibre Arrangement;
- 3) Joint debate on two motions for resolutions on terrorism:
 - motion for a resolution (Doc. 1-737/81), tabled by Mr Israel on behalf of the Group of European Progressive Democrats, on the terrorist outrage in Antwerp;
 - motion for a resolution (Doc. 1-743/81), tabled by Mrs Wiczorek-Zeul and others on behalf of the Socialist Group, on acts of terrorism by rightwing extremists;
- 4) Joint debate on two motions for resolutions on Turkey:
 - motion for a resolution (Doc. 1-753/81) by Mr Fanti and Mr Piquet on behalf of the Communist and Allies Group;
 - motion for a resolution (Doc. 1-765/81) by Mr Pannella and others;
- 5) Motion for a resolution (Doc. 1-745/81/rev.) by Mr Radoux and others on the EEC-Yugoslavia Agreement;

- 6) Motion for a resolution (Doc. 1-704/81), tabled by Mr Klepsch and others on behalf of the Group of the European People's Party (CD Group) and Lady Elles and others, on the situation in Malta;
- 7) Motion for a resolution (Doc. 1-719/81) by Mr Blaney and others on plastic bullets.¹

In accordance with Rule 48(2), second subparagraph, of the Rules of Procedure, any objections to this list, which must be tabled and justified in writing by a political group or at least 21 Members, must be placed before the President by three o'clock this afternoon. The vote on these objections will take place without debate at the beginning of this afternoon's sitting.

I call Mr Radoux.

Mr Radoux. — (*FR*) Madam President, the chairman of the EEC-Yugoslavia Delegation will not be here tomorrow and he has put in a request, which I have passed on to the Secretariat, for the question on Yugoslavia (Doc. 1-745/81/rev.) to be deferred until December.

President. — I call Mr Irmer.

Mr Irmer. — (*DE*) Madam President, I wanted to say something on the minutes and unfortunately I was noticed too late. I wanted to ask you to reconsider the decision to stop publishing the next day in the so-called rainbow edition the text of the speeches which are made here. We have not had this report of proceedings since the last part-session and I must say it makes things rather difficult when we do not have it, because we get asked afterwards — by the press as well — what we said and sometimes we should like to have another look at what other Members said. I do not think the decision to do away with the rainbow edition is a very good one for our work.

(Applause)

President. — It was simply that something went wrong at the printer's, Mr Irmer. It is not a matter of a specific decision which might have been taken. The document will appear some time today.

2. *Political cooperation*

President. — The next item is the joint debate on four oral questions to the Commission on political cooperation:

¹ *Approval of minutes: see Minutes.*

¹ *Speaking time: see Minutes.*

President

- oral question with debate (Doc. 1-690/81) by Mr Cohen and others on behalf of the Socialist Group:

Subject: North-South relations in the context of political cooperation and the Community's contribution to development policy

In recent months a number of international conferences have been held on North-South development problems. The European Parliament has also adopted resolutions on the same subject. These conferences and resolutions all expressed the hope that an international effort would be made to close the wide gap separating the developed and, in particular, the poorest developing countries.

1. What contribution did the Community and its Member States make at the recent conference held in Cancun?
2. What practical measures do the Community and its Member States intend to take to implement the emergency programme proposed by the Independent Commission on International Development Issues?
3. To what extent will the Community and its Member States contribute to the early resumption and successful conclusion of the North-South dialogue?
4. What other practical measures have been or will be taken by the Community and its Member States with a view to implementing the European Parliament's resolution on hunger in the world (Doc. 1-341/80)?
5. What practical measures do the Community and its Member States intend to take to respond to the hopes expressed at the Nairobi Conference on new and renewable energy sources and at the Paris Conference on the Least Developed Countries?

- oral question with debate (Doc. 1-691/81) by Mr Fanti and others and Mr Bangemann on behalf of the Liberal and Democratic Group:

Subject: Strengthening of European political cooperation

- having regard to the serious international situation and the proliferation of areas of tension,

- having regard to the important role which the ten Member States meeting in political cooperation can have in fostering a resumption of the dialogue between the blocs and in helping to consolidate peace;

1. What practical follow-up does the Commission intend to give to the main initiatives taken recently, in particular the initiative on the Middle East decided by the European Council in Venice in the light of the further evolution of events since then?
2. What contribution does the Commission intend to make to the East-West negotiations on disarmament, the process of detente and the resumption of the North-South dialogue, having regard to the forthcoming international initiatives?

3. What action does the Commission intend to take on the guidelines laid down at the meeting in London on 12-13 October with a view to strengthening the machinery for political cooperation?
4. What is the position of the Commission on the projects announced in particular by the German and Italian Governments relating to the form and content of political cooperation?

- oral question with debate (Doc. 1-692/81) by Mr Klepsch on behalf of the Group of the European People's Party (CD Group):

Subject: Consolidation of political cooperation structures

Following the meeting in Political Cooperation of the Ministers for Foreign Affairs on 12 October 1981 fresh impetus was given to the mechanism set up by the Luxembourg Report (1970) and the Copenhagen Report (1973)

Can the Commission provide Parliament with the following information:

1. What procedure has been introduced, for use in situations of crisis, to convene the Member States' representatives within 48 hours?
2. What exactly is the make-up of the skeleton staff given the task of assisting the President-in-Office of the Council of Ministers for Foreign Affairs meeting in Political Cooperation, and what are the facilities at its disposal?
3. What are the substance, limits and implications of the concept of 'political aspects of security', to which the Ministers have decided to refer to in future?
4. To what extent does the Council intend, as it said it would, to refer more frequently in its deliberations and statements to the resolutions adopted by the European Parliament on international affairs, security and human rights?
5. What is the role of the Commission in European Political Cooperation, and what part does it intend to play in bringing the present, essentially intergovernmental, mechanism, more closely into line with Community decision-making procedures?

- oral question with debate (Doc. 1-694/81) by Sir James Scott-Hopkins on behalf of the European Democratic Group:

Subject: Political cooperation

In the light of the London Report on Political Cooperation,

- what is the Commission's view of the operation of political cooperation,

- does the Commission consider it either possible or desirable for there to be greater correspondance between political initiatives undertaken by the Ten and the Communities' other external policies such as trade and development,

President

- what is the Commission's view of its own role in helping to increase the continuity of foreign policy initiatives undertaken by the Ten?

I call Mr Cohen.

Mr Cohen. — (NL) Madam President, my Group is the only one in this House to have tabled a question in this debate on political cooperation on North-South relations and on the Community's contribution to development cooperation policy. Our reason for doing so is that we are profoundly convinced that political cooperation cannot and should not be restricted to East-West relations, but should incorporate the North-South aspect — albeit not all aspects of North-South cooperation. Thankfully a great deal of work has already been done within the context of the normal Community institutions — and I am thinking here of the Lomé Convention, the agreements with the Maghreb and Mashreq countries, food aid and the general system of tariff preferences. In all these activities, the European Parliament plays a normal — albeit still much too modest — role. Those activities are not the subject of today's debate — they will doubtless be dealt with at a later stage.

What we do want to discuss today are all those activities in which Parliament is only indirectly involved, and I am thinking here of the Nairobi Conference on energy, the Paris Conference on the least developed countries and — last but not least — the Cancun Conference and the resumption of the North-South dialogue.

I should like to dwell on these three points because they are still fresh in our memory and because the three conferences covered all the questions which will be of paramount importance over the coming years. For instance, what should we do over the coming years to alleviate the developing countries' energy problem? What steps does the Community intend to take to cope with the desperate situation facing the least developed countries? I realize that the Commission has already made 40 million EUA available for food aid to the poorest countries and that the Council has accepted the Commission's proposal, but that can be no more than a first step.

The agreed new action plan for the poorest countries will have to be implemented over the coming years, and I should like to remind you here that a similar plan was already contained in the report of the Brandt Commission. We, the Socialist Group, shall continue to press for implementation of this plan.

The most important conference recently was undoubtedly the one held in Cancun, where the Community was not represented as such and to which only three of the ten Member States were invited. However, that does not detract from the fact that the Conference was no less than a backdoor preparation for the global North-South negotiations, in which the Community

must again bring its full weight to bear. After all, the final communiqué at the end of the conference says — and I shall quote from the English text because that is what I happen to have here:

The Heads of State and Government confirm the desirability of supporting at the United Nations a consensus to launch global negotiations on a basis to be mutually agreed and in circumstances offering the prospect of meaningful progress.

And the text goes on to say:

With respect to substance we (the Heads of State) focused on what we viewed as the major issues and the challenges facing the world economy under the headings of food security and agricultural development, commodities, trade and industrialization, energy and monetary and financial issues.

In other words, the important thing is to find a consensus at UN level, which means that both the Community as such and the ten Member States have a part to play. The Cancun Conference generated a wide range of comment in the press and in other sources. Some commentators regarded it as a success, while others dubbed it a failure. I would prefer to steer a course between the two extremes and see the Conference instead as a source of hope and fresh opportunities. A consensus has not yet been achieved, but one must be found and the Community has a part to play in the quest for just such a consensus. It is no secret that there is a difference of opinion between the United States and the Group of 77 on the subjects to be tackled in this context. For instance, should negotiations cover primary materials policy, monetary and financial affairs and what is known as a 'special energy facility' under the auspices of the IMF? The Community's opinion on all these points is, I hope, not quite so rigid as that of the United States and it is precisely in this lack of rigidity that our great chance lies. We should be in a position to act as a bridge between the views of the United States and those of the Group of 77 to enable the global negotiations to be resumed. That is our opportunity and that should be our task. My Group takes the view that North-South relations are just as important as East-West relations. After all, what is ultimately at stake is peace, security and prosperity for all. Stable relations in this world of ours are inconceivable unless we succeed in bridging the gap between North and South, and it is one of the Community's jobs to bring the world closer together and make it more stable.

President. — I call Mr Fantì.

Mr Fantì. — (IT) Madam President, I hope people will not think we were mistaken in addressing the Commission when we put this question. We had really wanted to engage the Council in a discussion on some of today's burning political issues, before the European summit on 26 and 27 November, because we

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were convinced that it would have been a good thing to inform the Council through the European Parliament of the views of those European political forces which most directly represent public opinion. To our regret, the Council refused to discuss the issue, as you are aware. Yesterday evening, for the first time in Community history the enlarged Bureau of the President met the ten Foreign Affairs Ministers and took the opportunity of stating that quite apart from the question of improving procedure, there is the problem of the inter-institutional relations, and that of the European Parliament's right and capacity to play a significant part in the real decision-making process. In other words, the European Parliament needs some real power of its own to act politically. The present state of affairs is by no means satisfactory, and we will not be fobbed off with the fleeting visits from some minister or other.

In his *Memoirs of a Socialist*, our fellow member Willy Brandt says that

the as yet short history of the European Community is the history of its crises; one might even speak of its development during, and as a result of, its crises.

We have now reached another of these moments of crisis, and there is no doubt that this is the most serious. There is no point in hoping that it can be resolved even with such impressive-sounding plans as the German-Italian proposals. We will say what we think about them briefly tomorrow, but today we would like to know whether the Commission is in favour of one of these proposals whereby all the decision-making processes would be brought together under the European Council. That implies giving the Council a fully institutionalized centralizing role, radically transforming the present structure and, above all, forcing the Commission once and for all into a subordinate political position and imposing the role of mere secretariat on it. Let me say here and now that we cannot agree to this and will do our utmost to prevent it going through. In order to have this debate on political cooperation, we had to redirect our questions to the Commission, but it was not simply an expedient or a purely procedural move.

Just for once we happen to agree with the decision taken by the Council of Ministers in London last October whereby (I am quoting from the final statement): *within the framework of the rules and procedures laid down, the Ten consider it important for the Commission of the European Communities to be fully associated with political cooperation at all levels*. I hope that the Commission as a body has already begun tackling the questions arising from close political cooperation in all aspects of Community policies. I also hope that President Thorn will avail himself of this opportunity and tell us how things stand, thereby initiating closer exchanges with us. That moreover is one of the subjects covered by the question which was put by myself and others, as well as our colleague

Mr Bangemann on behalf of the Liberal Group. The other points in our question directly concern the key issues in the present serious political situation.

The Middle East, East-West and North-South relations are precisely those areas which demonstrate most clearly the weakness and lack of unison in the EEC. That means the part of Europe we represent is totally absent from the world scene. That is a harsh judgement but we must face up to it if we want to come to a full realization of our situation.

What were or are the results of the European Middle-East peace plan, which raised such expectations and hopes among the states and peoples of that troubled area? What has come of the Thorn mission of the second half of 1980, which seemed to have opened up new prospects of negotiations?

While it is astonishing that no official EEC viewpoint was expressed before Cancun, it is even more so to witness the silence on Europe's part after Cancun's failure. In view of the continuing absence of any positive developments in the basic problem, as our colleague Mr Cohen pointed out when presenting his question, the political groups in the European Parliament have decided to debate the issue during the next part session, and we call on the Commission and the Council to begin work as from now to prepare themselves properly for it.

We must also criticize the fact that there was no joint statement from the Ten regarding the Franco-Mexican declaration on El Salvador, which aroused such a favourable response in the Third World and Europe.

This is a facet of a new factor at play in East-West relations. Resolutions have been put forward on it by our colleagues Mrs Gaiotti, Mrs Lizin and others, and I would like to draw your attention to it.

The new factor, which is reflected in the strength of the movement involving great masses of young people all over Europe, is the attempt by the Reagan administration to render obsolete the balance of terror, which was based on the mutual conviction of the two major world powers that a nuclear war meant their destruction and that of the whole world. The aim now is to get us to move towards a new strategy based on the possibility of limited nuclear wars in which Europe would inevitably be the initial, immediate testing ground, as recent statements from very highly-placed American officials have shown.

Awareness of this fact gives impetus and incentive to the great Europe-wide popular movement for peace and disarmament and against missile bases and the neutron bomb. The basic issue with which all political forces are confronting Europe is whether we should meekly accept this prospect of destruction or seek a solution based on the nuclear power balance, progressively move towards a reduction of the existing atomic

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stockpiles and rely on negotiations to find a solution to our political and economic problems.

It would be no solution for Europe to start building nuclear weapons as has been suggested in some quarters, and apart from leading to foolish, vain illusions, it would only be a further incitement to the arms build-up and an unacceptable waste of resources to no useful purpose.

Europe can play a role within the existing alliances to work towards peace and gradual, balanced, monitored reductions in forces. In view of the fact that we are partners in the Atlantic Alliance, we can ensure that the latter and NATO serve, even militarily, to back up a policy of negotiations for disarmament and peace.

This is the basic issue and the silence of the Ten in this area is totally unacceptable. It is useless to talk about rules and procedures to follow in political cooperation — political cooperation is the result of actually doing something about the problems at hand.

(Applause from the left)

President. — I call Mr Blumenfeld.

Mr Blumenfeld. — *(DE)* Madam President, allow me please to make a preliminary remark to today's debate as well. Like the previous speaker, I had expected today's debate to be attended by top-flight Council representatives prepared to enter into discussion with us . . .

(Applause)

That was really the whole point of the exercise, and it is something which this House has always called for and has always expected. In view of the facts and the reactions, we cannot possibly be satisfied with pious declarations on the part of the Council to the effect that it intends to take note of Parliament's intentions, discussions and resolutions and to act accordingly.

If I may be allowed to say so on behalf of my Group, I should like to have seen the Council be present here and listen to our arguments and discuss a few points with us — precisely because of the forthcoming summit meeting — so as to apprise itself of what Parliament expects of the summit and of the Council in the major questions we are concerned with today.

We are of course pleased that the Commission is represented here, and we expect the Commission to respond to our wishes. In our efforts to get things moving, we hope we can rely on the Commission's help and support; after all, the President of the Commission, Mr Thorn, said himself only a few weeks ago the Commission intended to work together with the European Parliament to make progress on Euro-

pean issues, that is to say, the question of security and the major economic and political issues facing Europe. If that is the case, we should like to ask the Commission whether, in view of the opportunity it has to keep in constant touch with the Council and to attend meetings of the Council and of EPC, it can tell us what stage has been reached with regard to political cooperation in the Council. Can Mr Thorn confirm that EPC is far too modest and politically far too feeble to face the challenges and the tensions of our time and thus help to solve the outstanding problems?

The Council's third report dated 13 October glosses over a lot of things. It takes up — and this is once again symptomatic of relations between the European Parliament and the Council in the field of political cooperation — only two points from Lady Elles's report which was adopted by this House in July of this year. Firstly, there was the point that, at times of crisis, the Heads of States and Government should meet within 48 hours to review the situation and discuss what to do, secondly, there was the point that a kind of secretariat should at long last be set up. We of course take the view that this secretariat comes nowhere near to meeting the wishes of Parliament as regards closer cooperation and a constant flow of information between the Council and Parliament. However, we should like to know from the Commission whether it is in a position to explain certain things in more detail and reassure us on this matter or at least point us the way for the future.

It is my view — and I realize that I am striking a highly critical note here — that there is nothing new in the Council's communications so far, despite the fact that the British Presidency — and this is something we gratefully acknowledge — has, in its meetings with the Political Affairs Committee on questions to do with European cooperation, gone to very great lengths to greatly improve the style and the content of what were previously highly unproductive meetings. As I said, that is something we expressly acknowledge. However, I must say that the Council has so far told us nothing new on how it intends to involve the European Parliament much more closely in its work, in this joint effort in the interests of Europe. For that reason, and in view of the fact that the Council has stated its intention verbally of involving the European Parliament more closely in the development of European political cooperation and especially in foreign policy, and in view of the fact that, at yesterday's discussion between the leading lights of the European Parliament and the Ministers, the idea was at least brought up — or so I have heard — of institutionalizing a working party or a kind of meeting designed to improve the coordination of work between the Council, the Commission and Parliament, I can only hope that the upshot of all this will not be the creation of just another committee. Parliament would like to enter into a much closer and more direct relationship to the Council. We do not want the whole thing to take place in small, select circles. That is something I should like

Blumenfeld

to stress here today, because that kind of thing would be of no benefit to Parliament as a whole.

The European Community must play an active part in ensuring its own security at a time when both East-West and North-South relations have entered into a phase of major and grave tension. At a time when the European Community's relationship with the United States is giving cause for concern from the point of view of economic, political and security affairs, it is high time we set about creating an unequivocal basis. It is our view that such a basis must involve the European Parliament — it must be discussed with us before any decisions are taken. We are after all the only parliament capable of taking a genuinely European view of things and capable of making the Council and the foreign ministers aware of our opinions.

If — as Mr Fanti has mentioned — the European Community — in other words, the foreign ministers — have engaged in intensive consultations over the last few days and weeks and have decided on a constructive new policy on the Middle East peace issue, we take the view that the resultant policy should and must be submitted to this House in the same way as we have, over the last few days, expressed our opinion again and again on the vital questions affecting us and our security. We expect the European Council — that is to say, the foreign ministers or the Council of Ministers representing the European Council — to explain the Council's policy to us and listen to what we have to say.

Madam President, it is in this spirit and as a logical consequence of our political views that we have tabled our question and our motion for a resolution, which we hope this House will adopt.

President. — I call Lady Elles.

Lady Elles. — Madam President, we on these benches and I, personally, express a warm welcome to my colleague from the House of Lords, Lord Trefgarne, who is the immediate assistant to Lord Carrington on foreign affairs.

The very fact that the British presidency is working so hard to make a success of this presidency and to get closer cooperation among the ten Member States is evidenced by the fact that Lord Carrington himself happens to be in Bonn today and could therefore not possibly have been in this Parliament. So I reiterate that I rather regret the way in which my colleague has been welcomed for the first time to this House. Again, I repeat a very warm welcome to Lord Trefgarne.

Madam President, the question before the House tabled by my group, the European Democratic Group, concerns the role of the Commission in the evolution and progress of EPC. My group warmly welcomes the

London report of the Foreign Ministers of the Ten, adopted on 13 October, incorporating as it does — and here I slightly differ with my colleague, Mr Blumenfeld — many of the proposals contained in the resolution adopted by an overwhelming majority of this Parliament on 9 July are incorporated in that report.

Over the years EPC has progressed and evolved, throwing up in its course new and imaginative ideas. Many of these reflected in the Parliament's resolution have now been included, providing, I think, satisfaction to Parliament and an augere for closer cooperation between us and the Foreign Ministers of the Ten.

Recognition in the report of the importance and commitment to consultation between the Ten is welcomed.

It is, however, the closer coordination of Community matters and political cooperation matters that I wish to emphasize and particularly the role of the Commission in this regard.

History shows that the role of foreign policy in a nation's affairs has always been based on the twin pillars, first, of economic strength, with its dependence on relations with other countries connected by trade and the need for supply of material and other resources and, second, security against outside interference. The logical and essential outcome of the economic and political development of the Ten demands a foreign policy which reflects the Community's economic strength with the highest GDP in the world and its interdependence with third countries in trading matters.

Even, Madam President, without a positive initiative to include aspects of security within European political cooperation, it will be the security of other countries — for example the Gulf States, — which will force the Ten to include security matters in their deliberations.

Europe is becoming the focal point for instance in the Gulf States' bid for greater political interdependence and as contributors towards their security. It is this that will be forcing European political cooperation to take note of security matters.

Indeed, I particularly welcomed Mr Fanti's observations and concern for nuclear armaments. It has reinforced Parliament's role in discussing defence and other allied matters. So I hope that we shall never again get objections from the benches opposite that such matters as defence should not be debated in this chamber.

This reinforcement of the demand for a concerted foreign policy by the Ten obviously closely involves the Commission, particularly in regard to its responsibilities in the field of external economic relations and development policies. Here I welcome the fact that Mr

Elles

Cohen had indeed read paragraph 6 of the resolution which we all adopted on 9 July — development was clearly mentioned in that resolution.

We, therefore, welcome the acceptance in the London report of Parliament's proposal that the Commission should be closely associated with political cooperation at all levels. Economic and cooperation agreements with over 120 countries, the continual evidence of the importance attached to cooperation with the Community as signatories to the Lomé Convention by newly independent countries, food aid policies — all these cannot any longer be considered out of context to the wider aspects of foreign relations and the role of the Community in the world as a whole.

In the formulation of foreign policy by the Ten, the Community's financial mechanisms, for instance, must not be overlooked. The European Investment Bank alone makes 16% of its loans to third countries, excluding Lomé signatories.

The improved mechanisms for EPC should now permit closer cooperation with the Commission which should provide a stimulus for far greater attention to external policies affecting energy, to the development of EMS — for instance in considering the relationship between European currencies and the dollar — and the external aspects of agricultural policy as well as the interlinked considerations in East-West relations of economic advantage, political interest and security demands.

Madam President, I would just like to comment on what I believe to have been the successful British presidency which has made a remarkable contribution to European political cooperation by the personal efforts of the President-in-Office of the Council, who on behalf of the Ten has been negotiating in the Middle East; by the London report issued in October reflecting very closely on our proposals; by the imaginative visit by the ten Foreign Ministers to the European Parliament last night at the expense of considerable effort by these Foreign Ministers, vividly demonstrating *in personam* the close cooperation between the Ten and the European Parliament.

Having just returned recently from the United Nations, I cannot allow this debate to pass without mentioning the very close cooperation between the Ten in daily meetings at the United Kingdom Permanent Mission — meetings of the ten delegations on matters trying to get consensus and a reasoned position on the very wide-ranging and important subjects being raised at the 36th General Assembly of the United Nations.

Through its resolution of 9 July Parliament has ensured for the Commission a full role in the development of European political cooperation. We have given the Commission an opportunity to show what it can do, and the question we are directing to the

Commission is so worded that we expect a reply from them stating what they are going to do with the great opportunity before them and assuring us that they will not let the Parliament down.

3. Welcome

President. — I have great pleasure in welcoming to the official gallery a delegation, led by Lady White, from the Select Committee of the House of Lords for the European Communities. On behalf of the Members and on my own behalf, I trust that their visit to this Parliament will prove useful and interesting.

(Applause)

4. Political cooperation (continuation)

President. — I call the Commission.

Mr O'Kennedy, Member of the Commission. — Madam President, may I address myself first of all to the question put by Mr Cohen; the President of the Commission will deal with the other matters at a later stage.

Could I first of all say that it is self-evident, as he said this morning and as is implicit in his question, that North-South is a vital matter for political cooperation? I think one could say that if there is an area where the purpose of political cooperation hitherto has been effective, it is in the area of North-South discussions leading to Community positions. Lady Elles, in this context, has also quite rightly stressed that the Lomé Convention, which is a unique instrument in a number of ways in getting agreement amongst nine or ten of the Community Member States, but more significantly in encouraging agreement amongst over 55 of the ACP Member States, is in fact an essential element in developing and strengthening political cooperation and making it effective in responding to the needs and potential of the future.

I am quite sure that the President of the Commission and I can both underline from our previous experience as foreign ministers that, if there is one area where we can enthusiastically acknowledge the effectiveness of political cooperation, it is in the North-South area where, after finding common positions we can translate those common positions into Community action such as we see so vividly and effectively demonstrated by the Lomé Convention, stage I and stage II.

That said, of course, it is essential to acknowledge that in every such area there must be and clearly be seen to be a common position on behalf of the European Community. The first point I would like to confirm

O'Kennedy

then is that there is, of course, a common position among the ten Member States on the North-South question. It is based in its latest form on a Commission communication to the Council concerning the Community's policy in the North-South dialogue of March of this year, which, following extensive discussion within the framework of the Council, was adopted as a report by the European Council in June of this year.

The second point to note is that the Member States present at the Ottawa and Cancun Summits spoke in line with and in a manner consistent with this common position. Thus although the Community as such was not represented at Cancun, it was certainly able to contribute to and influence the discussion which took place there. A third point which follows from this is that our priority now is to ensure that the Community makes the maximum possible contribution in the follow-up to Cancun. For that reason meetings are already taking place in a high level group on North-South relations. A number of such meetings have taken place since the Cancun Summit. There have likewise been — apart from formal meetings — extensive informal contacts with both the developed and developing countries, either at the United Nations, OECD or in national capitals, to discuss the most effective way of launching the global negotiations.

I agree entirely with what has been said here this morning to the effect that there is a significant role for the Community in terms of the bridges we can build between ourselves and our partners, such as the Group of 77, other developed countries and perhaps some others that are not very active in this area at all. It is worth noting that when the Community acts, it acts effectively. Perhaps there is not always the same degree of political visibility, with the resulting political reaction and sensitivity, that one finds when others act. For that reason we do have, I think, a role and a scope to maintain those links and build those bridges, which I believe has, in fact, been done effectively at Cancun.

When the Commission at the end of September adopted its communication to the Council on world hunger, it was particularly aware of Parliament's resolution on this subject adopted earlier that month. I think this demonstrates once again the common positions that Parliament and the Commission have taken in this particular area of crucial concern to the world and the speedy implementation of these common positions by both institutions. Our proposals, in line with the spirit of Parliament's resolution, include both short-term support via food aid, where there is an immediate and critical need, but in addition — and perhaps more significant in the longer term, as my colleague, the Commissioner responsible, Edgard Pisani, has already indicated here — the implementation of a strategic action in this field to enable our partner countries in the developing world to develop their own capacity, competence and independence in this area.

As regards the follow-up to the Nairobi Conference, I can assure Members of the House that the Community is actively participating in that follow-up, which is taking place within the context of the United Nations. We are likewise examining the possibility of closer coordination of Community aid programmes and those of Member States. Obviously this House, as well as many who are not only expert but very committed to the development of a proper policy in this area, will recognize that coordination both between the Member States and the Community and between the Community as a whole and the developing countries is of vital importance. We are examining this possibility particularly in the priority areas defined in Nairobi, which include energy programming, training and other forms of technical assistance.

In the context of the Paris Conference the Commission has, within the framework of its plan of action to combat world hunger, which I have already referred to, urged that all Member States try to reach the agreed ODA target of 0.15% of GNP. We are now considering how to ensure the most effective follow-up to and implementation of the Paris programme on a number of fronts, including the following: (i) help in establishing and preparing for the aid consultative groups foreseen for the least developed countries (ii) closer coordination — a point I have already touched upon — between the Community and donor member countries (iii) periodic submission to the Council of a progress report on the implementation of the Paris programme.

So I think, Madam President, that Members can be fully assured, as they obviously require to be, that the Community is deeply committed not only to both the spirit and the substance of the programmes and conferences mentioned in the oral question but also to playing a leading, active and concerned role in all aspects of the follow-up. In this, as I have said, the encouragement, support and constant initiative of the European Parliament are of very considerable importance. The Commission welcomes the fact that this oral question this morning enables us once again to reiterate our position and to reaffirm the common bond arising from the obligation incumbent on both our institutions to move the Community forward and in turn to move our partner countries forward in this matter of vital importance for world peace, balance and justice.

(Applause)

President. — I again call the Commission.

Mr Thorn, President of the Commission. — *(FR)* Madam President, the two questions put by Messrs Fanti and Klepsch obviously do not fall within the competence of the Commission, and I am grateful to some speakers for having pointed that out this

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morning. Moreover that is why they initially put them, as they should, to the Foreign Affairs Ministers within the framework of political cooperation. For reasons described as a failure to respect the time limits but which are not my concern, the office of the President of the Council stated that they could not be accepted today, which is why the honourable Members turned to us, in meticulous observance of the procedure, as I would have done, to ask for this debate to be held this morning. Luckily as the President of the Council has a representative here, who will take the floor at the end of the debate, I will confine myself to some points which are more especially within the competence of the Commission. May I say in reply to some of Mr Blumenfeld's points, that every time you address the Commission it will be at pains to show that it intends working as closely as possible with the Parliament, even in the field of political cooperation, for which it has no particular responsibility. We have already said as much somewhat more explicitly in informal contacts and before your Political Affairs Committee. I must tell you immediately that, from what I know of the motion for a resolution to be voted on at the end of this debate, the Commission is fully in agreement with the contents of that document. I would now like to make a more general statement on our role in political cooperation. Now that new developments in political cooperation are being mentioned, I think that once and for all there should be a clear statement of the various roles of all concerned, which means that the role of the ministers of the ten Member States and the Commission in decision-making on cooperation should be made clear. The Commission is involved in the policy-making process in this connection, which for obvious reasons must remain confidential, witness the London statement which twice stresses the need for these discussions to remain confidential. It is therefore up to the policy-makers, that is the Council of Ministers, whose role is not included in the Treaties establishing the Commission, to announce the decisions they have taken as representatives of the ten Member States. The Treaties have not been amended, and I know many parliamentarians taking part in this debate who would be among the first to criticize us if we were to give the slightest impression of taking an active part in policy-making, thereby exceeding the prerogatives conferred on us by the Treaties. The right to announce political decisions, to justify them if need be with certain arguments, to comment and elaborate on them is the essence of politics, and often even the fundamental weapon of politicians. It is therefore up to the ministers to use it and they told us clearly enough last time that the Commission should be especially cautious in this matter. One thing on the positive side, in fact the only thing which has affected the Commission's position, is that in the last few weeks the ministers have been in favour of involving the Commission in their work to a greater extent. In other words they no longer intend asking the Commission to leave the room or not to attend a given meeting. These closer contacts will enable the Commission, whose role is fundamental to the Community, to keep in touch

with the political discussions going on and to be aware of the line followed by our ten Governments in such vital fields as East-West relations, the Middle East, etc., where the Community can also play a major role, if only through the aid programmes which come before you.

All I know is that yesterday afternoon while I was speaking to you about the Mandate, the political cooperation ministers were meeting to discuss developments in the Middle East. I know that these discussions were inconclusive and as the situation is very fluid at the moment, it would hardly be the Commission's place to make any statements on problems of this sort.

Let us now move on to political cooperation structures and mechanisms, which are your main concern.

As I said before, the Commission is pleased at what has been achieved and now hopes that the London report will lay the foundations for future progress. In this connection I should like to tell those of you who are wondering what has been done, that these are only the first faltering steps. The London declaration was made only a very short time ago and it remains to be seen at what level and in what way it will be implemented. One thing I can tell you is that a week ago the Commission was allowed to sit in on a meeting of the Political Committee, as it was not able to do before. The Council has therefore honoured its promises to involve the Commission in its work to a greater degree, albeit only at senior official level, which we have not previously participated in, not so that we should become the eleventh policy maker, but rather a largely silent partner, except when consulted and in order for the Commission to be better informed and aware of the policy pursued.

I must make it clear once and for all that the London report brought about no changes in the rules governing political cooperation. Nevertheless, there is no denying that it is becoming more and more difficult to draw a clear distinction, as Lady Elles mentioned a while ago, between the external policies falling within the Communities' responsibility and those pursued within the framework of political cooperation. Most of them are complementary and interdependent, and it would be a shame if this was not so, because it would demonstrate a lack of coherence on our part. The ministers could not go on ignoring this state of affairs, which is why as I said we are now more closely associated with the Council's work following the adoption of the London report.

Now what about the secretariat, as some of you already asked me. I think Mr Blumenfeld is hoping for a little too much — let the Council express its own views on the matter — but I would be happy if things turned out as he hoped, in other words if the secretariat could bring about closer relations and a more regular flow of information to the Parliament. What is

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really important is that the ministers have stated, and restated yesterday in less official meetings than this one, that they intend working more closely with the European Parliament in the future. There is every reason for us to be pleased at that.

I must give you a word of warning about the question put to me, which concerns the Commission's readiness to provide the political cooperation secretariat. The Commission is a Community institution with a specific role to play and it would be dangerous, even at civil-servant level to ask it to assume the duties of secretariat for a non-Community body where it would by definition not have the right to put forward any proposals. This would only lead us to confusion and could well lower the Commission as a whole in the eyes of the Council. I know you do not wish that.

As far as the European Union is concerned, I am rather sorry that this debate is taking place today in the absence of Messrs Genscher and Colombo. They will be coming tomorrow to discuss it with you and I do not think it would be proper to raise the subject today in view of this fact.

May I now reply to Chairman Fanti's comments by stating that the Commission welcomes this initiative. Even if it does not go the whole way or is not in line with the views of all, any initiative shows that there is an attempt at government level to widen discussion and make progress. We are sorry to see though that there are no plans to enshrine this in a treaty or extend the Community decision-making system at this stage. Nevertheless we hope that all these general principles, which we approve, will get further than mere wishful thinking. That is why the Commission immediately assured Mr Genscher and Mr Colombo at the Council yesterday that we were willing to work together to examine these proposals more closely and develop them further as much remains to be done. Examination of these proposals can only commence at Community level when this stage has been reached.

You are aware of the two major alternatives and you have put your finger on the major problem. Are we going to extend the Community action to other fields as a result of this initiative, or will it mean introducing the principle of inter-governmental cooperation in other fields? Those are fundamental questions and you know where we stand.

Our viewpoint is, firstly, that there must be side-by-side progress in the development of the institutions and policies. Equal attention should therefore be paid to preparing decisions at European level and to declarations on issues relating to economic integration. Secondly, it should be remembered that the Community institutions are in our opinion the foundations on which moves towards a European Union, must be based.

The establishment of other bodies on the fringe of the Community structures should be discouraged and toeing the Community line must be a precondition for all Member States participating in inter-governmental cooperation, even in fields which are not covered by the Treaties. Lastly, efforts must be made constantly to improve the way the institutions function and to forge closer links with the Parliament.

In the Genscher document, we are pleased to see that the European Parliament is given more prominence and there is mention of enforcing its right to play a part in and oversee policy-making. I agree with Mr Fanti that one major issue, the definition of the tasks of the European Council, is still undecided. I hope that the further explanations Mr Genscher and Mr Colombo give you tomorrow and which I am convinced they will also have to give the Council in the next few months, will allow us to make further progress. In conclusion, I would like to say that hopefully a new phase started yesterday when discussions took place between ministers of the Ten and representatives from Parliament in a restricted meeting attended by the Commission. Representatives of the national governments will be here tomorrow to explain their viewpoints on Europe. At this very difficult time when we are not progressing as fast and certainly not as effectively as we might hope, we must agree that, with regard to the mandate and the European Union question, everyone seems to be facing up to the fact that present challenges cannot be met without showing a little more European spirit in decision-making and a determination to go still further in this direction. I hope that this will be an encouragement to all of us.

(Applause)

President. — I call the Socialist Group.

Mr Brandt. — *(DE)* Madam President, ladies and gentlemen, it seems to me that the haggling about quotas and percentages tends all too often to blur the historic dimension of the process of European unification. All too often, we try to take the easy way out and shift the blame onto others to distract attention from the inadequacies in governments' and official bodies' relations with the Community.

From a purely objective point of view, nothing would be more appropriate at the present time than to develop the Community as a means of countering the effects of the world economic crisis. Unfortunately, there is precious little to report in this respect. Many people have by now set their expectations so low that they regard it as a success for the Community even to survive the turbulent times it is currently going through. Of course, no sensible European can have any objection to improvements being made to political

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cooperation between our governments and between those governments and the Community institutions; nor can anyone object to Community activities being meshed in better with inter-governmental activities. It seems to me, though, that what the President of the Commission has just said serves to confirm the old adage that it is no good putting the cart before the horse.

I am in favour of what is known as Political Union, so long as the resultant institution is worthy of the name. I am not in favour of sticking a new label on an old product.

(Applause)

Substantive shortcomings cannot be compensated for by political window-dressing and this is a point which is made in the Socialist Group's motion for a resolution.

In other words, what is the sense in opposing what the German Foreign Minister and his Italian counterpart are trying to set up? Despite all the disillusionment, why should we not make the point that there were certain risks involved in agreeing to the direct election of a European Parliament? Widening the scope of Parliament's powers and adding to its right of involvement would be not so much a present to the Members of this House as rather a boost to the credibility of those whose thoughts as to how to improve the work of the Community ran to no more than direct elections.

(Applause)

Perhaps the suggestions made by the French Government will help us to make progress — I do not know yet whether that is so, I can only hope so. As regards the suggestion of a development — in certain sectors at least — towards social union, I can only say that some of us were considering this question something like ten years ago. The economic and financial conditions have certainly not improved since that time.

There is no getting over the fact that we must make a better job of what are really the Community's original tasks if we wish to make additions to these in the form of restructuring the budget and reforming the Common Agricultural Policy. The Community must be made to work; after all, our people will judge the Community over the coming years by the contributions it makes and the influence it exerts as regards the safeguarding of jobs and structural improvements. These factors will also dictate the political clout of the Community as a whole and the coordinated policies pursued by the Member States.

I should like to take up a point referred to by two of the previous speakers as well as the Member of the Commission. In a world in which 1 500 million dollars are, objectively speaking, wasted every day on arma-

ments at a time when 600 or even 800 million people do not have enough to eat, it particularly behoves us in Europe to point the finger again and again at the tragically distorted relationship between hunger and arms.

(Applause)

However, as I have said before and as I shall say again, it is not only considerations of peace and humanitarian behaviour which should persuade us to greatly speed up the process of development: there are sound economic reasons — and selfish economic reasons at that — for doing so.

The consultative summit meeting attended a month ago by leading statesmen from North and South in Cancun in Mexico served to strengthen the feeling of mutual dependence on the part of the industrialized and the developing countries. It also served to highlight the willingness to get the long-delayed, so-called global negotiations under the auspices of the United Nations going at last. Incidentally should these negotiations ever get under way, they would also involve the Soviet Union and her allies.

The Cancun Conference showed us the way forward on the two central issues of food and energy supplies. Let me explain what I mean by this. On the one hand, and if I am interpreting the outcome of the Conference correctly, there is now general agreement that the emphasis should be placed in future on encouraging agricultural production in all the developing countries in which the conditions are right. Apart from the United States, which has already done a great deal and still has a lot to do, this is a task first and foremost for us Europeans. In my opinion, the Commission should develop a coherent food strategy aimed at bringing about a step-by-step improvement in local and regional agricultural production, with the proviso of course that, in cases of acute need, special aid should continue to be forthcoming.

On the other hand, there is now a better chance of setting up — in close or not so close collaboration with the World Bank — a financing mechanism designed to make funds available where they are needed so that energy resources in impoverished developing countries can be tapped and exploited. I share the hope expressed by the French President that progress will be made in this field over the coming months.

As regards the other financing problems and the reform of international organizations, nothing new came out of the Cancun Conference.

At any rate, Europe will have an important role to play, but only provided that, instead of suffering a fit of weakness of our own making, we summon up the strength to become a reliable element in a global partnership which sets out to secure the peace and conquer hunger.

Brandt

Madam President, ladies and gentlemen, may I ask you to allow me just two minutes to say something specifically as a German, and as a German Social Democrat. I should like to ask the Members of this House to pay no heed to the nonsense which has been propagated recently concerning opposition to the concept of defence, anti-Americanism and selfish neutralism in the Federal Republic of Germany.

(Applause)

The Federal Republic of Germany will remain a reliable partner in the European Community and in the NATO alliance, and in case Mr Brezhnev is not aware of this, it will be pointed out to him in Bonn at the beginning of next week, which does not mean to say that we — that is, a lot of us — will be relinquishing our right to think for ourselves.

(Applause)

It is not true that my young compatriots who are gathering in large numbers to demonstrate against war — or rather against armaments — would prefer Russian missiles to the other side's. The fact is that they are against the arms race in both East and West. They are prepared, though, to defend themselves against the suspicion that their activities are being controlled from a certain capital city.

(Applause)

Those who bear political responsibility in our countries are now faced with the problem of reconciling the desire for peace with a practical peace policy. Europe has witnessed worse things in the past than young Germans demonstrating for peace. But the main thing is that our friends, and especially our friends in the European Community, need not live in fear of a Germany which is struggling to find the right road to peace.

Madam President, only a Community which is active in those fields for which it was originally created will, in the final analysis, be effective externally. It is true that there will be no place at the table for Europe when the representatives of the nuclear world powers meet in Geneva in a week-and-a-half's time to begin their negotiations on strategic weapons based in Europe. Nonetheless, it is up to us to do our best to make clear what we Europeans expect from these talks, including what we understand by the 'zero option' which, if I am correctly informed, the American President will be speaking in favour of today in Washington.

It is very hard for the European public — and particularly the young people of Europe — to have to put up with talk about the extent to which a nuclear war can be limited. Our own European interests and our self-respect are challenged to a dangerous extent by talk of that kind. When I was in Budapest for a few days last

week, I saw proof once again that European concern is an integral part of that single identity which transcends political divides on this continent. A specifically European contribution to the maintenance of peace, to the relieving of tension and to the process of disarmament are essential.

We in this part of Europe must move closer together, and the same goes for the Atlantic Alliance, where all those of us who come from Member States of the alliance should endeavour to give more prominence to the European position. But we shall only succeed in doing so if we are prepared to accept more joint responsibility.

I do not think we should simply commit to history the process which started, with some success, in the early 1970s regarding *détente* and cooperation on specific matters. But military balance — a term which is very difficult to define if you wish to take into account global and regional criteria — is not an end in itself so much as an instrument — to be kept to as low a level as possible — for establishing a more durable peace than the vulnerable state of affairs we have at the moment. I should like to say quite clearly and categorically — although I realize this is not an arms control debate as such; that will be coming later — that it is worth asking ourselves whether — as the experts tell me — it would not be possible, by using modern weapon technologies, to render a large proportion of the nuclear weapons in Europe superfluous.

The foot-dragging pace of the second Helsinki follow-up conference in Madrid makes me think it worth pointing out that, despite all the inadequacies, we should not neglect the promising start we made in Helsinki in 1975, but rather build on that base wherever possible. This point is particularly valid in the light of the projected conference on disarmament in Europe, which is precisely the subject of the Madrid Conference. Of course, I fully realize that this project will depend on what is achieved in Madrid, and the same applies to cooperation in economic, technical and cultural affairs as well as specifically human measures, which are an indispensable aspect of the whole.

The European Parliament would be well advised to discuss the Madrid negotiations again at a suitable juncture and to investigate what initiatives could usefully be taken by the Community with regard to the development of practical cooperation and effective measures in the field of arms control and disarmament. I believe, Madam President, ladies and gentlemen, that Europe can indeed be an effective advocate of reason in a world full of tension.

Europe today is not one of the main protagonists in these global tensions, and unfortunately we can hold out no hope of fulfilling such a role in the quest for a world-wide reduction in tension and world-wide solidarity with the Third World. I do believe, however,

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that the countries of Europe and the European Community bear a special responsibility. I believe that, despite all the setbacks, which we are bound to acknowledge, Europe has the kind of experience of stability and the ways of achieving stability which is needed in the present world situation. As a result, Europe must not isolate itself; we must make use of our experience wherever possible.

(Applause)

President. — I call the Political Affairs Committee.

Mr Rumor, Chairman of the Political Affairs Committee. — *(IT)* Madam President, Members of the Commission, ladies and gentlemen, I am grateful to the President of the Commission and to Mr O'Kennedy for the reply to the question tabled by Mr Klepsch on behalf of the Christian-Democratic Group.

The questions involved are undoubtedly also of a structural and operational nature, but their content is essentially political.

I feel that my first duty is to acknowledge that the report on political cooperation approved on 13 October 1981 marks a number of significant steps forward in relation to some of the points in the resolution tabled by Lady Elles and approved by Parliament last July. Some of these points are already being implemented.

Of course, these steps are very cautious and do not fully satisfy either Parliament's demand or the real scale of a political cooperation which would be integrated in the development of the Community as an intrinsic and closely linked element.

We must move forward more quickly on this road.

Moreover, Madam President, what is the significance of the questions put to the Commission by my group, if not precisely to urge it to make a qualitative leap towards the integration of political cooperation in the unifying process of the Community, and to adapt structures and guidelines to the urgent demands now made by a complex and difficult international situation, which does not allow for reluctance or postponement?

The problem therefore arises of how to give the European Community as such the room, capacity and vigour for decision-making and initiating which are indispensable to such a great economic, cultural and civilized power.

I have mentioned the political significance of our questions to the Commission. They can be defined as follows:

Firstly, our group points out that we have entered upon a phase in world history and Community history in which it is necessary, but above all our duty, to be always ready and adequately prepared for an influential European initiative in the troubled and uncertain landscape of world politics.

Secondly, while bearing in mind the composite nature of the Community and the concern felt also here in Parliament about its specific responsibility, the political question of security urgently needs to be considered.

If we were to ignore the existence of, and the need to tackle, the political aspect of security, we would be burying our heads in the sand like the ostrich, and political cooperation would end up by being transitory and rhetorical instead of cogent, realistic and organically constructive.

Thirdly, we are aware that the wealth of timely political proposals produced by Parliament would run the risk of remaining pious hopes if the Ministers did not translate them into substantive attitudes and initiatives. For this reason, whereas the Carrington report stresses the importance of the 'association' of the European Parliament with political cooperation, it is not enough to talk of the possibility of making frequent references to our resolutions in the decisions and statements of the Ten. It is necessary, at the very least, for the political attitude expressed by Parliament always to be taken into consideration by the Ten. We shall stand firm on this point.

This leads us back to the initial statement, in which Parliament asks that the present mechanism of political cooperation be gradually transformed from an intergovernmental to a Community procedure, leading to a joint decision.

Indeed, the restoration of Parliament's political initiative and the influential presence of the Commission in political cooperation are the basic link in this chain which leads the general policy of the Community back to unity in the perspective of European union.

We know that a subtle and corrosive suspicion is circulating in Community circles, aroused by a few indiscretions by people in positions of responsibility. It is that perhaps the most ardent advocates of political cooperation wish thereby to diminish the more specifically institutional and economic aspects of the process of Community development.

It seems to me that the joint Italian and German initiative for a 'European Act' — about which Mr Genscher and Mr Colombo will tell us tomorrow — in its political, institutional and economic aspects, tends to allay this suspicion.

Let anyone who is really tempted by such a ploy realize that an international political commitment such

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as that sketched out in the October report is unimaginable without the robust framework of a revived institutional organization and an economic policy moving towards more solid Community integration.

The converse is equally unimaginable — an expansion of Community policies without the scope and scale of a great international policy. We do not want to create monsters, and these two distorted hypotheses would create a monster of one kind or the other — either a large and well-nourished Community body with an undeveloped brain and political imagination, or a brain and political imagination languishing in a stunted and bloodless Community body.

The Ministers, too, are aware of this risk.

Moreover, the Carrington report itself acknowledges that further European integration and the preservation and development of Community policies on the basis of the Treaty will make a positive contribution to more effective coordination in the field of foreign policy and will increase the range of instruments available to the Ten.

We must regard one thing as certain. Political cooperation represents at the same time the necessary 'Epiphany' — if I may use that word — of the Community on the international scene, but it is also a moral and political imperative for a grouping of 269 million citizens which represents the major trading power in the world, and has various cooperation, trade and aid links with 119 Third World countries.

If this is the real and potential scope of our Community existence, then we must move more rapidly in the direction of a real and practical common foreign policy. The now lengthy history of the Community has accustomed us to realism and to not allowing ourselves to be carried away by excitement, hastiness or presumption.

But we must be realistic not only in terms of caution but also in terms of an ability to interpret the signs of the times — i.e. to interpret the expectations concentrated on Europe from every side, as if towards a pole of initiative and balance.

There are deadlines which do not permit procrastination, uncertainty or paralyzing divisions among the Ten.

Moreover, the questions tabled by Mr Cohen and others, Mr Fantì and others and Mr Bangemann and others, relating to the most harsh and urgent realities of the international situation, are enough to make us realize that political cooperation is faced with problems which do not permit an ostrich-like or disunited approach.

Is it conceivable that Europe should not be involved — in its proper rôle as a partner of equal standing in the

democratic West — in the problems of strengthening peace and the inextricably linked problems of achieving balanced security, guaranteed at the lowest possible level of nuclear armament, with the optimum goal being the zero-option?

Is it conceivable that Europe should not be involved in the problems of real and honest détente, which must be on a global scale and therefore brings in all the problems raised by policies of power struggle, violation of the rights of peoples, terrorist practices and international violence?

Is it conceivable that Europe should not be committed to continuing courageously and wisely on the road which it chose at the Venice summit to achieve an overall solution to the Middle East problem in the form of a real and lasting peace with justice for all?

Is it conceivable that Europe should not itself be involved — by virtue of its Christian and humanist roots and consciousness — as a necessary and expected protagonist in the North-South Dialogue and in the fight against hunger and underdevelopment, which increasingly appear as a powder-keg of justified anxiety and protest threatening peaceful coexistence on this planet?

I said 'involved', but it must be involved in its entirety, for it would be paralyzing and damaging for one or other of our countries to delude itself that it could exercise real influence on its own.

No one can pretend to be taller than he is by standing on tiptoe. The age of national vanity is at an end, and the individual European nations are not equipped for a leading rôle. Today no country counts on its own merits, but on the basis of its rôle in Europe.

Of course the Community must set itself those all-round aims which were the generous but solitary dream of a great historical figure, which faded because it was confined to a single, albeit influential, country.

We agree with the honest acknowledgment in the Carrington report that the Ten are still far from playing a rôle in the world commensurate with their collective influence. On the other hand, we are more sceptical about the statement that the Community and its Member States are increasingly seen by other countries as a united force in international relations.

No, we have not yet reached that point, because Community development is slow, clumsy and sometimes contradictory, because at the institutional level powers are still disjointed and confused, and because political cooperation has not yet reached that stage of 'active unity' which is the precondition for a common foreign policy.

Only by overcoming these obstacles will Europe succeed in influencing events in a practical way — as

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the report hopes — instead of merely reacting to them as it does at present.

We believe — not from a corporative standpoint but from deep conviction — that the more Parliament is really involved in political cooperation, the more that cooperation will express both the intuitive wishes of the peoples and great political forces which we represent and the Council's views and initiative, if it is true that the latter wants to achieve — as it says it does — not merely common attitudes but common actions.

Madam President, Mr President of the Commission, we have put the questions to you not so much for its own sake as for the deep significance which we attach to involving you in the issue.

The European Act — whose weight and influence in progress towards European unity will be discussed tomorrow — states that the Commission is the guardian of the Treaties and the driving force in the process of European integration.

Indeed, it is your duty to be the institutional expression of Community supranationalism, just as we represent the convergence of peoples towards a united Community.

It falls to you and to us, not least in the field of political cooperation, to express the will and express the need for Europe to speak with a single voice in the world — the voice of a great, shared and universal civilization which, untarnished by a bloody and tragic history which is now behind us, can be decisive for a peaceful outcome to our marvellous yet terrifying epoch.

IN THE CHAIR: MR VANDEWIELE

Vice-President

President. — I call the European Democratic Group.

Mr Fergusson. — Mr President, constitutionally the Community, I think, could be on the point of moving forward very fast. Political cooperation, which has rightly been described as the success story of the past few European years, has in many ways become at last a reality, and the question whether or not some Member States are now to join in sending a joint force, to the Sinai Peninsula, for example, the very fact that they are considering not speaking as one, but acting as one, and in an area of the world where the Ten have agreed a joint policy, is a development which we should seize on here with triumph.

It leads on to the question of the Community's political future and whether we are to use the economic strengths which our unity gives us, not simply to promote our own prosperity, not simply to play a responsible and enormous role in raising the hopes and prospects of the Third World, but also to use that strength positively to foster peace in the world and to engineer the preservation of the freedoms we enjoy and which others may even yet be enabled to enjoy.

It is our view here that the distinction between the economic cooperation of the Ten exercised through the Commission and their political cooperation exercised in EPC, has become retrograde — a brake on what we need to do. It is gratifying, I think, to find that distinction becoming ever more blurred. Certainly the time to get rid of this formality cannot be far away. I think that everything that Mr Thorn said pointed exactly this way, and we are very grateful.

The fact that the Commission is now to be present at EPC meetings, the fact indeed that this debate is directed at the Commission, is significant enough. But this week, with the convergence on Strasbourg of the foreign ministers, with the new departures on political union which we are to hear about tomorrow, together with the renewed and repeated emphasis on security policy to be echoed in the next debate today, we have change indeed to be savoured by us while the Member States bicker over the rules and the subscriptions to our club.

So again to peace and security and the relevance of our economic strength, politically guided, to East-West tension and the arms race, in particular, to which Mr Fanti referred earlier on. The question is how to respond sensibly to the terrifying build-up of Soviet global military power and to the campaign of subversion and destabilization in the Third World and in the Middle East particularly, other than by trying to match that build-up.

Well, the outstanding factor in the disarray of the West, in the face of all that, is the almost total divorce between our defence, our security preparations and our economic policies and behaviour.

Now why conceal the great discomfort so many of us feel as Community countries become increasingly dependent for energy supplies, for example, on the Soviet Union while simultaneously, as our next debate again will show, our other sources of supply come under threat? Why do we go on and on and on exporting not just food, but high technology to those who threaten our very existence? The answer is simple: in our drive to compete with one another, in the absence of coordinated economic and political policies, we forget the only competition that really matters, the competition for control over our own freedom.

Fergusson

Now this absurdity need not continue. If the arms race is our greatest worry, and if it inhibits our ability to meet our greatest obligations to the Third World, why cannot we use our economic strength, if not to govern the arms race, at least not to feed the efforts, sometimes literally, that the Warsaw Pact has mounted against us? Mr Brezhnev this week admitted to the Central Committee of his Communist Party that the Soviet Union had — and I quote — ‘Failed to adapt its economy and economic thinking to today’s needs’. Since the Soviet Union spends over 12% of its budget annually on armaments and military adventure and virtually nothing on aid to the Third World other than military aid and since it carries its European and worldwide militarism so far beyond the needs of defence, he can certainly say that again. His economy has gone wrong. Is he afraid of nuclear war? Does he want peace? We know — because he has said so — that he is not interested in nuclear disarmament by Russia alone. Well, why does he not think about raising the threshold of any nuclear exchange by ensuring that there is a true balance of conventional forces in Europe limited on either side to defence needs? He could do it by reducing his own conventional arms and still remain quite safe under his own nuclear deterrent. And if he cannot see that this would restore a balance to his economy that might enable his people to be fed properly again, then why cannot we here in Europe help him to see that?

Now no one is calling for all-round embargoes. The plight of Poland too is another matter. We welcome developments towards Romania, but what we do call for, especially in my Group, is for all our economic relations — positive and negative — to be part of a concerted group strategy consistent with our political aims and security needs. And we believe that the Community is now ready to combine its economic and political drive precisely to these ends. It is, I think, what political union is going to be all about.

(Applause)

President. — I call the Communist and Allies Group.

Mr Baillot. — *(FR)* Mr President, foreign policy is an essential attribute of every State — upon it depend the economy, trade, defence and basic freedoms. Any consideration of the political cooperation activities of the European institutions must therefore start from this essential observation in order to arrive at effective proposals.

This leads me to stress two characteristics which political cooperation must have, in the view of the French Communists and Allies.

Firstly, it must remain an intergovernmental procedure which respects the sovereignty and wishes of each of the Member States. That means we are not among

those who wish to institutionalize this mechanism in a form similar to that of the existing common policies.

Political cooperation must remain a procedure in which each Member State can freely declare its wish to participate or not to participate in a joint action. It goes without saying that defence questions which are the exclusive concern of each State are not to be dealt with within this framework or in the more strictly Community framework. This was reaffirmed by Mr Cheysson at the recent meeting of the Ministers of Foreign Affairs, when he said that there was no question of a defence policy for the Ten, since Ireland was not a member of the Atlantic Alliance, and that in any case the WEU had been specially set up for that purpose.

Political cooperation must also remain complementary to the foreign policy of each of the Member States. There is no question of dreaming of a European foreign policy which would make national foreign policies redundant.

It is a question of seeing whether it is possible for the Ten to take, on an *ad hoc* basis, a few joint steps in the right direction on particularly important subjects such as peace or development.

Much has been said recently about the Franco-Mexican declaration on El Salvador. In our view this is a good example of possible joint action by the Ten, and we would have liked the Ten to take similar action in favour of the people of El Salvador. However, even when it is intergovernmental and complementary, political cooperation cannot avoid consideration of its aims.

Should certain initiatives, disputed in advance by those mainly concerned, be taken at all? Certainly not. For example, on the Middle East, must the European Economic Community confine itself to declaring that the PLO must be associated with the negotiations without saying, as we should if we took account of the reality in the occupied territories and at the international level, that the PLO is the only legitimate representative of the Palestinian people? The Ten have taken some small steps forward in this matter, but let us be careful lest these steps, because they are so small, cause us to lag behind the actual events and cut us off from those — and there are many — in this region who want a settlement based primarily on the acknowledgement of the Palestinian people’s right to their own State, and secondly on the recognition of the right of all the States of the region, including Israel, to definite and recognized frontiers which would enable them to live in security.

Moreover, is one going far when one deals in the context of political cooperation with problems such as that of South African apartheid policy or that of the activity of the contact group which is trying to find a solution to the illegal occupation of Namibia? The

Baillot

French Government, for its part, has clearly stated that this contact group must not be a pretext for — if you will forgive the expression — burying the Namibian question. France could not associate itself with such an idea.

These are some approaches which could be fruitful for political cooperation among the Ten. But, more generally, what in our view should be the aims of political cooperation? Firstly, to be equal to the great North-South Dialogue now beginning, to encourage overall negotiation and help to solve the practical problems facing developing countries, such as the fluctuation of raw material prices.

But if the European Community wants to set an example in this field, it must disassociate itself from all the many and various American pressures. It must also facilitate the North-South Dialogue in political terms, by stating its intention to apply in practice, and to make European firms and the ten governments apply, the sanctions against South Africa decided on by the international community. Let us speak plainly — the Ten must not, in generous statements published after their meetings, promise their aid to developing countries while refusing the political and practical instruments called for by these countries.

Finally, and in connection with action in favour of development, the Ten should contribute, through political cooperation, to the struggle for peace and disarmament. Too often hitherto, in this field also, they have made themselves vehicles of the American policy of permanent tension. What image of Europe would the Ten give to all those, particularly young people, who in their millions have in many different ways shown their desire for simultaneous disarmament in order to avoid the disaster of nuclear war, if initiatives to encourage disarmament, fully respecting the sovereignty of each of the States, were not taken? At the United Nations, as at the CSCE follow-up conference in Madrid, the positions adopted by the Ten have not always been in line with this aim — far from it.

As you see, Mr President, what we are proposing for Community Europe is a will to achieve political cooperation among the Ten, based simply on practical action in favour of peace and development, which are more closely linked today than ever before. And here we would also like to know what initiatives the Council intends to take in this field.

Finally, I would not like to conclude without mentioning the question of human rights. Among the Ten there is a distressing tendency to invoke them particularly when they are threatened in countries outside the Community. And yet it seems to us to be the duty of the Ten not to remain silent on the infringements of human rights in Northern Ireland, just as it does not seem possible to us that the Ten, through the intermediary of the Council and the Commission, should continue to have relations based

on association with Turkey, as in the past. Are there not 30 000 political prisoners in Turkey, by the generals, own admission? Are not the political parties dissolved and human rights daily ignored?

As for the European Parliament, did it not vote, on our initiative among others, on 4 May 1981, for a text which called for the suspension of the EEC-Turkey Association Agreement within two months if a return to democracy had not been begun?

Finally, if the Ten wish to gain the esteem and interest of the peoples of our countries, they must not confine themselves to vague statements but take action along the right lines — those desired by the people.

President. — I call the Liberal and Democratic Group.

Mr Haagerup. — *(DA)* Mr President, I am afraid I must begin by making a somewhat critical observation since I think we have far too many major issues to discuss today and that even if we devote the larger part of the day to the debate, there is no way we will be able to get through all these major political questions. We have questions concerning political cooperation, security, the developing countries, the North-South problems and we have dealt with subjects such as the Middle East and human rights etc., all of which are such major problems that each of them merits discussing individually and in greater depth.

As spokesman for my Group, I should like to deal in particular with political cooperation and security matters while my colleague, Mr Galland, will deal with the Diligent report later in the debate.

It is an undisputable fact that European Political Cooperation has developed rapidly over the last few years and months. As has already been pointed out, the meeting of the Foreign Ministers in London in October marked a new and important step in the development of European Political Cooperation. The possibility of consultation on questions concerning political security has now been made official. Procedures have been laid down for urgent meetings in situations of crisis and the staff structure has been improved as regards the preparation of the meeting. All this is excellent, since there can be no doubt that progress in European Political Cooperation is in itself an important thing and we are pleased that in future the Commission will be closely involved in this process.

I should also like to say that we appreciate the fact that the British Presidency has shown his willingness to involve Parliament more closely in Political Cooperation and has taken steps to ensure that this closer involvement will take place in practice.

Haagerup

However, my Group feels that even more could be done. As regards the link with the European Parliament, we support the proposals contained in the report by Lady Elles. We also support the idea of an independent secretariat and we regret the Ministers have not seen fit to establish one.

I should like to say that a secretariat of this kind for European Political Cooperation is not important, since it would involve yet another new institution. Nevertheless, we feel that such a secretariat could help put the Ten in a better position to influence situations rather than merely react to them, since one of the things a secretariat could do would be to prepare more joint foreign policy initiatives.

The subjects dealt with under Political Cooperation should reflect the relative importance which they have in the eyes of the Ten in the world context, which means that relations between the Ten and the USA must be given top priority since, among other things, our relations with the USA affect our position *vis-à-vis* other third countries and not least those of the Eastern Bloc.

We do not underestimate the importance of the Ten's initiatives in connection with the Middle East and Afghanistan. However, it is significant to note that even questions such as these must be assessed in the light of our connections with the USA, even if the Ten naturally cannot and should not simply imitate the USA in every respect. However, it is of vital importance for the Atlantic Alliance, which my Group firmly supports, and for our security that we should endeavour to establish the closest possible cooperation with the USA even in cases where the Ten manages to reach a common position.

Security problems should be regarded both in an East-West context and against the background of the relations between Western Europe and America. My Group also supports the idea that questions of security should be dealt with in the context of Political Cooperation for the simple reason that they are a part and parcel of other crucial foreign policy issues. At the same time, however, we realize that purely military and defence matters, such as defence planning, the setting up of new weapon systems, the conducting of joint military exercises and similar matters are already dealt with by NATO and that for this reason they are not particularly suitable matters for the Community and its institutions, including Parliament, to concern itself with. Nine of the ten Member States of the Community are members of NATO, but we must bear in mind that certain NATO countries are not members of the Community but are obviously involved in the joint defence planning nevertheless. Finally, there is one single Community Member State, Ireland, which is not a member of NATO, and these are the factors determining which security problems can and should be dealt with in the Community context and which should not.

There may well come a day when the Community decides it would like to adopt a common defence policy. However, this is not the situation at present and integration of the national defence forces will only be possible after political integration and cannot precede it. We should have learnt this much from the collapse of the European Defence Community way back in 1954, and for this reason my Group cannot, for example, support a request to the Ministers to try immediately to establish joint integrated defence. However, this does not mean that we are opposed to political cooperation on important questions of security policy. Quite the contrary — all our countries are greatly preoccupied with questions of security, détente and the arms race. The Ten are working actively together at the Security Conference in Madrid and the entire European public is looking forward with great interest to the forthcoming American-Soviet negotiations on atomic missiles in Europe.

As Mr Brandt, among others, mentioned, the large-scale demonstrations in Europe, regardless of the view one takes of them, also clearly bear witness to a living interest in and preoccupation with security problems. By far the majority of those present here today are in favour of us discussing the questions of arms inspections and disarmament. However, we must also discuss what is to be inspected and what form the disarmament should take, as otherwise we would simply be closing our eyes to the realities and surrendering to empty slogans and pious wishes.

I should like to say in conclusion that it is not enough merely to congratulate the governments, the Commission and ourselves on the progress which has been achieved in European Political Cooperation since it is a fact that if we do not make parallel progress in cooperation within the Community under the terms of the Treaty, Political Cooperation will lose a lot of its meanings and significance, and we do not want to see European Political Cooperation developing in competition with Community policy, since the entire world regards the Community and the Ten as a single unit and does not make distinctions between European Political Cooperation on the one hand and the Community on the other. Tomorrow we will have the opportunity of listening to what Mr Genscher and Mr Colombo have to say on how we can integrate all aspects of the Community and the actions of the ten countries in the future.

However, I should like, on behalf of my Group, to stress that even today one of the aims of the Community and its individual Member States must be to ensure that all foreign policy decisions reached either collectively or individually are based on a joint position on the part of all the Member States *vis-à-vis* the rest of the world.

President. — I call the European Progressive Democrats Group.

Mr Clément. — (*FR*) Mr President, there is a misunderstanding, perhaps deliberate, on the place of the North-South Dialogue in political cooperation. This morning, the Commission representatives illustrated this misunderstanding. Indeed, Mr O'Kennedy concentrated his speech on relations between the Community countries and those of the Third World. In particular, he indicated that the Community was not absent from Cancun, that it played a positive role in the North-South Dialogue and that the Commission was paying considerable attention to what he called the follow-up to Cancun.

Mr Thorn, for his part, stressed from the start of his speech that questions relating to political cooperation should be addressed to the Council and not to the Commission.

The logical conclusion to be drawn from these two speeches is that political cooperation falls within the preserve of the Council and the North-South Dialogue within that of the Commission. Consequently, either the North-South Dialogue is not political cooperation, or the Commission is trespassing on the Council's responsibilities... In fact, the Community was absent from Cancun. As far as I know, Lord Carrington was at Cancun in his capacity as British Secretary of State for Foreign Affairs; despite the recommendations adopted in London on 13 October 1981 by the Ministers of Foreign Affairs of the Ten, no consultation had taken place among the Member States of the Community in preparation for Cancun.

It is understandable that on various pretexts the Soviet Union and other countries of Eastern Europe should have failed to be present at Cancun. Indeed, they contribute only 0.9% of the aid given to developing countries, and this represents three ten-thousandths of their gross domestic product. This is, incidentally, a measure of the real interest which they have in these countries. On the other hand, it is less easy to understand why the European Community should put itself on the same footing by absenting itself from Cancun, when its declared intention is to spend 0.7% of its gross domestic product in aid to the developing countries and when it has, through the ACP-EEC Consultative Assembly, been able to institutionalize a North-South Dialogue which the United Nations, for their part, have not yet really succeeded in establishing in a lasting form. It is difficult to understand why the Community, which has been able to show that the fight against world hunger is a priority aim, should give the impression by its absence that political cooperation does not concern North-South relations but is in some way reserved for East-West relations or Middle East questions.

The Lomé agreements showed on two occasions that Europe intended to speak with a single voice in its economic relations with 61 developing countries. At the last meeting of the ACP-EEC Consultative

Assembly in Luxembourg, the hope was even expressed that this cooperation might extend to cultural relations. Indeed, it is necessary to implement an overall Community strategy, for the future of the Community, beyond basic humanitarian concerns, largely depends on the development of the Third World.

It is for all the world as if a number of governments, wishing to give priority to the bilateral relations which they have with their former clients — in the usual sense as well as the Latin sense of the term — were doing everything they could to ensure that political cooperation in North-South relations is more of an appearance than a reality.

As far as the Community is concerned, this attitude leads to leaving to the Commission the whole responsibility for planning, negotiation, action and follow-up in the field of development and cooperation, limited only by budgetary constraints, on which, by the way, there is a certain regrettable inconsistency. This is a case of nothing more or less than a deviation by the Community institutions, since political cooperation either does not exist or should be a matter for the Council in the framework of a procedure which has just been very precisely redefined in London.

In conclusion, therefore, I call upon Parliament to invite the Council to include the question of North-South relations regularly in the consultations which it carries out in the political cooperation context. No-one would understand it if, when talking of reviving political cooperation, we were to exclude from it relations between the Community and the developing countries.

President. — I call the Group for the Technical Coordination and Defence of Independents Groups and Members.

Mr Bøgh. — (*DA*) Mr President, there are a lot of myths going around concerning the intensification of political cooperation as adopted in London on 13 October. In Denmark there is a rumour to the effect that in fact nothing new happened but that it is merely a question of consolidating established practice — a rumour which, moreover, stems from our Foreign Minister who, after all, should know, since he was himself present at the meeting of 13 October. However, Lord Carrington, who was also there, says that this was a great victory for the ideal of European unity and Mr Thorn regards the decision as a starting point for new developments.

It is not all that surprising that the various versions contradict each other and that the Danish Government, which had solemnly assured the people of Denmark that the Community would not concern itself with foreign policy, security policy and defence

Bøgh

policy, should now be trying to keep its own voters in the dark. This is connected with the rather sneaky way — to put it bluntly — in which many things are decided within the Community. That is to say, first of all various new semi-legal working methods are introduced, involving changing hats, as it were. One minute people represent the European Community and the next minute they are the European Council and in this way they can turn to their critics and deny that anything is being done and afterwards decide that these working methods should be made legal and point to established practice, which means that they can counter the charges made by the critics by pointing out that the new arrangement is not in fact new at all. This is very clever, but it is not democratic and it is Danish democracy which will have to pay the price for our politicians having pushed their way into the Community.

I should now like to ask the Commission to indicate the limits of political cooperation. Can the Commission specify areas such as, for example, defence policy, which it cannot discuss under the heading of security policy? And can the Commission tell us whether Mr Tugendhat's view of defence policy as a Community matter was merely his private opinion, or whether this view is shared by a majority of the Commission?

President. — I call Mr Bournias.

Mr Bournias. — (*GR*) It is an open secret, Mr President, that the international situation, and particularly the situation in Europe, gives cause for concern. People are coming to realize that a political, economic and moral crisis is afflicting the world. It was not possible for the European Community to remain unaffected by this crisis. Worries are being expressed as to whether it is possible to overcome the problems which are accumulating and are threatening the Community. The achievement of European Union, if not actually in danger, is becoming a more distant prospect. There is certainly no shortage of efforts and good intentions to avert the dangers and enable Europe to play the role which belongs to it. Mr Gaston Thorn believes in this and is travelling to the capitals of the ten Member States. This is the result of the report which the President of the Commission himself presented to us last week in the Political Affairs Committee and yesterday in the House, without keeping from us the political and institutional problems and the enormous difficulties facing the Community at the moment. This is the tendency of Mr Genscher's plan, the aim of which is to extend European Union, as Mr Genscher himself will be explaining to us tomorrow in this Chamber. This is also what the Italian proposal sets out to do, and it is also the aim of today's debate on the strengthening of European political cooperation.

I recently read an article in *Le Figaro* by our colleague and outstanding French politician, Mr Poniatowski,

entitled *Le déclin de l'Europe*, which was full of truth as well as pessimism and fears. I do not deny that the situation both inside and outside Europe is critical, but our duty both towards the founding fathers of the EEC and towards the history of Europe is to increase and strengthen our political cooperation, to put aside our differences — since differences do exist — and to remember Thucydides's hero, Scylouros, who shortly before dying ordered each of his eighty male children to break a bundle of spears which he had put before them. Of course they were unable to break them, but then the old man broke them one by one in order to show his sons that there is strength in unity. The ancient legend means that political cooperation in the Community, both among the Member States themselves and between the Member States and the Parliament, which is the mouthpiece of public opinion in our countries, is the sole key to successfully achieving the ultimate aim of European Union and to solving the problems confronting us, such as North-South relations, the worsening situation in the Middle East, the restructuring of the common agricultural policy, the problems of the budget, relations with the Third World, unemployment, inflation, energy, the protection of youth — particularly this problem since all young people are not far from becoming terrorists — and the development of the various Community policies other than the CAP.

I shall conclude, Mr President, on an optimistic note. The difficult transitional period we are now going through will be overcome because we are all determined and eager that it should be.

President. — I call Mr Jaquet.

Mr Jaquet. — (*FR*) Mr President, I think it would be true to say that the next meeting of the European Council will be held at a decisive moment in the life of Europe. On the international scene the horizon is darkening and the anxiety of our peoples is increasing. The crisis in the Community continues, and in this field, too, pessimistic views appear to prevail.

Will the European Council of 27 and 28 November be aware of the importance and seriousness of what is at stake? We would like to hope so. At all events, it is in this spirit that we approach this debate. Before a governmental or intergovernmental discussion whose importance can hardly be questioned, a parliamentary assembly such as ours, aware of its responsibilities, surely has a duty to express its opinion, present its considered thoughts and draw up its proposals. All the problems raised and debated by us — and no doubt also, I hope, by our governments — can be grouped around a single theme — the revival of Europe — i.e. revival of political cooperation, institutional revival, revival to implement the 30 May mandate, and revival suggested by some governmental initiatives. In this connection, and on this group of questions, I would like firstly to present some brief thoughts.

Jaquet

First a few words a institutional revival. The German Government, with which the Italian Government appears to have associated itself, has drawn up a plan for renewing the procedures for political cooperation. Other proposals of the same kind have incidentally been adopted by Parliament or are being studied by us. In another field, proposals aiming to improve the operation of the Community institutions have been drawn up or are being drawn up. An institutional committee of Parliament will come into operation on 1 January next. The problem of our institutions, in its many and varied aspects, is therefore on the agenda. We can only express satisfaction at this. After some years of operation, and at the mid-point of our own term of office, it is quite natural that we should feel the need to assess the situation, drawn up a balance-sheet and consider what the next stage could be.

But at a time when all these studies are about to enter a decisive stage, allow me to put one question. To improve our institutions — those of political cooperation and those of our Community — is good. But for what purpose? Obviously, I presume, to undertake joint actions more easily and in better conditions, or to draw up the common policies which the present situation requires. Otherwise, what would be the point? Better developed, perfected and more ambitious institutions, which because of the absence of common will would be obliged to operate in a vacuum — albeit more elegantly — would constitute a dangerous illusion followed by a dangerous disappointment for our peoples. That would in no sense be a step forward — on the contrary, a defeat for Europe would result from it.

That is why — and I firmly believe this — the question of the institutions must not be separated from the question of common actions and policies. Some, within or outside Parliament, and incidentally often in good faith, tend to think that the revival of Europe must relate first and foremost to institutional questions and that all the rest is only subsidiary or will be given to us as a bonus. That is, I think, an error of judgment. And I would like to warn you against it, for such an attitude would be a kind of flight from reality, setting our consciences at rest at little cost without really helping European integration to progress. The basic reason for the crisis in Europe is the absence of a common will to create a real Community. We have not been capable of setting up effective mechanisms in the social field — despite the very serious employment crisis — in the regional field, in energy policy or industrial policy. And I could make the same observation in many other fields, particularly in that of political cooperation, which is still in its infancy. That was not how we viewed the European Community at its inception. And it is clear, I repeat, that the primary cause of the difficulties facing this undertaking is the failure of our States to decide on actions and policies in the essential fields. At the same time our aim is to facilitate these actions and policies through better

institutions, and to create a real, effective and cohesive Community. These are the questions facing us, which deserve overall study. I hope we shall have the opportunity to resume and deepen this study at the beginning of next year, if we accept the Bureau's suggestion in this respect. We shall thus be able to examine all the plans for revival — institutional revival, and particularly the Genscher plan and those of Parliament; the revival envisaged by the 30 May mandate, and in this context a study of the proposals by the Commission and Parliament, and the French Government's plan. We shall no doubt discover that all the problems are linked, and therefore necessitate a joint response. We shall then have to say what sort of response we envisage and what policies we shall ask our governments to adopt.

Allow me to make a last series of observations. Under the umbrella of political cooperation, I presume that the European Council also concerns itself with the most pressing international problems. Will it succeed in defining a clear and coherent attitude which could show the true face of Europe to all the world powers, and especially to the superpowers? Today this is more desirable than ever, and this links up with my earlier observations.

In this connection, I shall cite only two examples.

At the beginning of my speech, I noted how the international situation had deteriorated over the last few years. Détente has been suspended, peaceful coexistence has been compromised, the arms race has resumed and anxiety has taken hold of our peoples. The SALT negotiations between the two superpowers have been broken off and medium-range nuclear missiles have been installed on European soil — the Soviet Union has installed SS20's, and the United States in their turn are proposing to install Pershing 2s. Faced with this arms race which is assuming dramatic proportions, will Europe be able to intervene with enough strength and boldness to be heard? On 30 November negotiations will resume in Geneva between the Soviet Union and the United States on the limitation of medium-range nuclear missiles. We are delighted at this. We hope that these negotiations will lead to an agreement, and that the two superpowers will understand that the necessary balance of forces in Europe must be at the lowest level, i.e. — and I share Mr Willy Brandt's hopes — at the zero level. What we want to see in the final analysis, and I presume it is the wish of all Europeans, whatever their political standpoint or geographical situation, is effective and simultaneous disarmament ensuring the security of each people and their right to self-determination. Will the European Council say that? Perhaps. But we expect more than a mere declaration, however eloquent. What we are calling for is determined, continuing and convincing joint action by all the governments of our Community. Are they determined to follow this road? We shall soon know.

Jaquet

My second example is the North-South Dialogue, and on this point I shall be even more brief, for of course I fully agree with the observations made by Mr Willy Brandt a short time ago. Of course, the Community has not been inactive in this field, and what it has done in the field of development and cooperation is far from negligible. But it must do more and better. It must also urge the governments of its Member States themselves to do more and better. Furthermore, it must try to involve in this cooperative effort all the industrialized nations, in whatever part of the world they are situated. But to undertake such a task and succeed in it, it will have to realize — and persuade the others — that a system of stable peace presupposes the elimination of hunger, unemployment and oppression throughout the world. This is another undertaking the importance of which is obvious, and which must be placed in the forefront of our Community's concerns.

Mr President, these are the thoughts which I wished to present to Parliament on the eve of the summit conference of 27 and 28 November. Despite many disappointments Europe remains a great hope. I would like to believe, even today, that this great hope will become a great and vigorous reality.

(Applause)

President. — I call Mr Diana.

Mr Diana. — *(IT)* Mr President, the previous speakers pointed out the importance which this Parliament attaches to the development of political cooperation. Particularly at this time of growing tension and uncertainty on the world scene, there is an overriding need for effective coordination in the field of foreign policy. Moreover, this need is felt not only within the Community, for other countries consider the Community as a more effective and more credible negotiator. A united Europe must play its part in world affairs, must make its own contribution to the world balance, and finally must fully keep the promises contained in the Luxembourg and Copenhagen reports. The eleven years which have passed since that first report, in which the foundations for political cooperation were laid, are too long a period, particularly when compared with the modest progress which has been made on this road.

This Parliament therefore cannot but agree fully with the procedures envisaged to improve the efficiency of ministerial and European Council meetings, with the definition of the role of the Presidency, working parties and study groups, as well as the procedures envisaged for crisis situations and all the proposals designed to enable the Ten to speak with a single voice. However, this action must take place within and not outside the institutions. Parliament must be really involved in the political cooperation process, in

accordance with the Luxembourg and Copenhagen reports. This relationship must not be manifested only by periodic meetings with the Political Affairs Committee or informal contacts between the ministers and the leaders of the various political groups. Above all, the Council of Ministers must not confine itself to giving assurances — as stated in the draft — that it will take into account the possibility of making more frequent reference to resolutions adopted by Parliament, but must really take due account of the opinion expressed by this institution — the only one elected by direct suffrage by European citizens.

The other basic requirement — and it has already been mentioned in this debate — is that the development of political cooperation should be linked with the deepening and completion of the process of economic integration. For the Community to be regarded as a real entity in an international context, periodic meetings at ministerial level — or even those at Heads of State or Government level — are not enough. It is essential to develop within the Community common policies in the regional and social fields as well as in the monetary and energy fields, and in all the other sectors where the process of integration is stagnating.

Political cooperation cannot and must not be made a pretext or a screen behind which to hide the lack of will to proceed on the road of cooperation and economic solidarity. This suspicion, expressed also by others, arises from the observation that the proposals for strengthening political cooperation — as well as the Italo-German proposal for revival of the institutions and of the idea of European union — will be on the agenda of the forthcoming summit in London, together with other proposals which, limiting the already restricted financial resources of the European budget, in practice hold up the process of economic integration. Worse, we run the risk of taking a step backwards and moving away from the aim of economic convergence. What credibility on the world scene could a purely accounting Community, intent only on reducing expenditure and on the imbalances between contributions to and receipts from the Community budget, have? How is it possible in this way to create an effective balance within the Community between prosperous and less prosperous regions? What can we offer the new Mediterranean applicants for membership of the European Community, which as we know have considerable economic difficulties? What can we say to the developing countries? What will be our contribution to the North-South Dialogue?

I think a precise answer must be given us to these questions, and that this answer must come from the Commission, but first and foremost from the Council, so that the Parliament may in all conscience express its own positive opinion on the political cooperation plans put before us.

(Applause)

President. — I call Mr Møller.

Mr Møller. — *(DA)* Mr President, we all have the feeling, I think, that we are working in the dark. We are working with a vast piece of machinery, but it is idling, as it were. It is not really producing any results and this is perhaps in some part due to a lack of cooperation or willingness to cooperate on the part of some of the institutions of which the Community consists. This lack of constructive activity has led to what we currently refer to as a crisis. In fact, we talk about crises in several areas. For example, we talk about an economic crisis — and quite rightly — unless we intend to accept on a permanent basis that our part of the world has become poorer.

However, there is also a political crisis, and not only in the Community. Perhaps the economic crisis is an expression of the political crisis, i.e. the lack of stability in our Member States. You, Mr President, represent a Member State which is constantly in a state of political crisis. In Denmark, we have no political stability either and in the mere 2½ years this Parliament has existed, virtually every single Member State has been faced with political crises and has had difficulties in establishing a stable working majority. It is important, therefore, that we should also come to terms with the political problems in this Assembly and not brush the political problems aside in favour of the economic questions, since we will not make any progress in combating unemployment on a lasting basis unless we manage to establish political stability and unless this Assembly and our institutions can give us a political stability which we can count on as being in the interests of Europe and which can form the basis for an economic policy in the interests of our citizens.

I should like to say, therefore, that some progress was made in the political respect yesterday when, for the first time in the history of the Community, we had a discussion between all the Foreign Ministers of the Member States, the Bureau and the chairmen of the Groups in this Assembly, and I think those of us who took part in this meeting have become a little more optimistic for it. There are many of us, I think, who will be still more optimistic when we come to hear what both Mr Genscher and Mr Colombo have to say about the future of political cooperation tomorrow morning.

I am well aware that there are many people — not least in my own country — who feel that this Community should not be involved in political cooperation in any way whatsoever. They say that the Foreign Ministers should refuse to take part in political cooperation, that it should not be institutionalized anyway and that it falls outside the scope of the Treaty of Rome. It strikes me as a little strange, however, to expect the ten Foreign Ministers to meet but not to discuss foreign policy. This would be the only subject

which would be taboo for them when they met. They could only discuss economic matters. Obviously, the Foreign Ministers of the ten Member States should meet as often as they feel necessary in order to discuss foreign policy and the political future of Western Europe, regardless of whether this falls within the scope of the Treaty of Rome or not — and it is patently obvious that this has nothing to do with the Treaty. It also falls outside the scope of the Treaty in the sense that unanimity is required if progress is to be made.

I should like to say that, as I personally see it, we have, as it were, come to a crossroads and either we slide back down the hill and continue heading into critical crisis situations or we take the other road and try really to get to grips with our problems and solve them. The road we must take is, I think the political road. It is not enough to find economists who can point out various possible economic solutions. It is not enough to adopt resolutions which are not followed up by the Council — for example, the one we adopted last September concerning cooperation between the oil-producing countries and the countries of Western Europe and which could perhaps provide a solution. As long as those responsible for the decision-making in our institutions do not take up this resolution, nothing will come of this and there will be disappointment in store for us. However, we must not give in to frustration. So much is said about this Parliament being frustrated but I would say that the answer to frustration is patience. We must bide our time. As I mentioned, we made a small step forward yesterday and we are expecting to be receive a certain impetus tomorrow which may start us thinking further along lines which will enable our Community to continue to exist and flourish.

President. — I call Mr Segre.

Mr Segre. — *(IT)* Mr President, ladies and gentlemen, today's debate on political cooperation which we ourselves, with other political forces, called for, comes at the best moment, on the eve of the European Council in London, but it takes place in the doubly strange circumstances — mentioned just now even by Mr Thorn — of the lack of an active presence of the part of the Council of Ministers and the separation of the debate from that on the statements which Mr Colombo and Mr Genscher will make tomorrow to present the Italo-German plan for a European Act and a statement on economic integration.

But let us leave the subject separate, even if this separation does not convince us either from the viewpoint of formal logic or, even less, from that a political logic.

Confining ourselves strictly to today's subject, we regard it as positive that the need for a strengthening of political cooperation is felt more widely today, and

Segre

also that in London last month a few small steps forward were taken in terms of the adoption of more suitable mechanisms.

Again in the last few days, in a policy statement on the contemporary world situation in general, we Italian Communists have clearly maintained that a Europe capable of taking a decisive step on the road to political and economic unity and renewal would have a very different weight and scope, and this is one of the conditions for Europe to give impetus to its international initiative and emerge from the crisis. However, we cannot avoid putting a few basic questions, an answer to which seems to us essential in order to determine the real political strength and weight of this will to revive the aim of European unity.

Our first question is: is a substantial development of political cooperation possible without an equally and perhaps even more committed effort to build up a common political will on the great themes of economic integration, the fight against inflation and unemployment, and overcoming the crisis?

We do not think it is possible to make practical progress in political cooperation if at the same time damaging tendencies — of which we have new evidence every day — towards withdrawal into the purely national sphere are allowed to progress.

Europe is not made of plasticine, which can be pulled on one side and left as it is on the other, or even flattened. Either it is constructed as a whole, and helped to progress as a whole in the various fields with a unified conception of the integration process, or there is the only too obvious risk that the progress in one field — in this case political cooperation — may become a kind of flight from reality, almost an attempt to escape the serious economic and social difficulties, and for that very reason turn out sooner or later — perhaps sooner rather than later — fallacious, fanciful and without solid roots.

My second question, Mr President, is this: is it really possible to place the form before the content — the outward forms of cooperation before its political substance? That is difficult to accept. Even if the best political cooperation mechanisms are found, if there is no agreement among the Ten on what should be the EEC's role in the world, these mechanisms will remain unproductive.

The role of the EEC in the world now means primarily the North-South relationship, the fight against hunger, action to achieve a new, different, more balanced form of development in the world; and a consistent commitment for a policy of dialogue aiming at agreements which would put an end to the arms race — which has now reached, as Willy Brandt reminded us a short time ago, 1 500 million dollars a day — and prevent an already over-armed Europe from seeking its own security in yet more arms instead of in

their controlled and balanced reduction. But what characterizes this Europe of ours above all now, if not silence? Silence in practice at Cancun, silence on the eve of the Geneva negotiations between the United States and the Soviet Union on 'Euromissiles', silence in practice on the Middle East. Whatever happened to the Venice Declaration, which aroused so many hopes? It is perhaps essential, Mr President, to hold an in-depth debate as soon as possible to find out what point we have reached, where we want to go, what we intend to do and what significance should be attached to the proposed participation of some European countries, with the support of the Member States of the Community, in setting up a multinational peace-keeping force in Sinai. Meanwhile, the fact is that in this connection the ten Ministers of Foreign Affairs did not even succeed yesterday in Brussels in agreeing on a joint text. It is a clear sign that the matter is even more confused and disputed than had already appeared, particularly because of the irresponsible way in which it was initiated and managed up to now.

The least that one can and must say is that there is great confusion on the matter, and that this confusion has already to a large extent clouded, to the detriment of Europe as whole, what little clarity there undoubtedly was in the Venice Declaration.

Mr President, ladies and gentlemen, in reality this Europe needs not confusion but clarity, if it wants to develop its own political personality, consolidate it and ensure respect for it in the world, and to be — in a period of tension — a factor for wisdom and balance. In a month's time, after the London Summit, it will be possible to say more. Our most ardent hope is that we shall not have to say that once more clarity has been defeated and that Europe is living, not only in crisis, but in a veritable state of confusion.

President. — I call Mr Berkhouwer.

Mr Berkhouwer. — (NL) Mr President, I hope that what I am about to say will be taken as a testimony on the part of a liberal European from the last quarter of this century. What is at stake is the need for one Europe or no Europe in a world political situation where, again, what is at stake is the issue of one world or no world. We have the duty to safeguard our western civilization from descent into the chaos of an all-consuming nuclear conflagration. That, and that alone is the background against which I view European political cooperation. The first remark I wish to make is addressed to Mr Cohen — whom I unfortunately do not see here in the Chamber — and also to some extent to Mr Willy Brandt, whom I am extremely pleased to see in our midst today. Mr President, East-West and North-South relations are, in our view, complementary. We can only hope that the East does as much for the South as we — despite all the reservations — do here in the West.

Berkhouwer

Mr President, the watchword of today's debate is the need to strengthen European political cooperation. 'Strengthening' is really too weak an expression, because I take the view that European political cooperation is quite literally of vital importance to the survival of Europe and to enable Europe to play its part as a moderating element in the world. Some people have been wondering whether European economic and political cooperation is not in fact a way out of the dilemma of stagnating economic convergence. If that is so, Mr President, I find it a disturbing fact, because as far as I am concerned, the point is to develop European political cooperation as well and as quickly as possible. At least then any stagnation in the process of economic convergence would have the useful effect of enabling us to make progress on political cooperation. But where, in this world of ours, is the dividing line between economics and politics? Is it not true that national and Community politics centre essentially around the major challenges of unemployment and inflation facing us rather than the solution of these problems? Mr President, is the oft-cited crisis of an exclusively economic nature? Is it not a fact that our entire Western civilization is now exposed to internal and external threats and challenges? Internally, we must ensure that the values on which Western civilization is based are respected. There is a temptation nowadays to compare present-day Europe with the Roman Empire at the end of the 5th Century — the Rome of bread and circuses — which likewise collapsed because of its inability to summon up the internal strength to face the challenges from the East.

Let us draw a comparison with the football vandalism in our major cities. In his *Study of History*, Toynbee took a look at a number of civilizations and came to the conclusion that the final stage of a civilization always begins when people are no longer prepared or able to defend the values on which that civilization is based. We must therefore be prepared to defend our civilization. What we are experiencing now is more than just *le mal de notre temps*. It is more than just an economic crisis because then all that matters is whether we possess more or less.

The people living in the West today have never known such a standard of living before, yet despite all this, people are dissatisfied. When you walk around, you see very few people who look happy and contented. You see very few of those delightful Erasmian smiles on people's faces.

I should now like to move on to deal with what Mr Willy Brandt referred to in his speech — and I have never had any doubts whatsoever as to his goodwill and constructive attitude. Coincidentally, he referred to exactly the point I was going to make in my speech — that is, the current wave of demonstrations. In the free world, we have the right to demonstrate for certain ideas, but Mr Willy Brandt referred specifically to young people demonstrating against war. War is something no one wants, Mr President. I was born at

the end of the First World War, and I took part in the Second World War. I hope that my son, who is now 14 years old, will never need to don a uniform.

I am therefore motivated heart and soul by the same things as Willy Brandt. However, what I do feel, Mr President, is that these demonstrations are characterized by a great deal of bias. The watchword in my country is: no new nuclear weapons in Europe. In other words, the demonstrators are satisfied to allow existing nuclear weapons to remain. What I should like to see is a train bound from The Hague, stopping in Bonn to let Willy Brandt get on then continuing via East Berlin and Warsaw to Moscow where we would get out and announce on Red Square: Free all the countries of Europe, from Brest to the Urals, from Brest to Vladivostock, from nuclear weapons! That would really be proof of lack of bias, and in that case, perhaps what President Reagan seems to be doing would give us some hope that steps can be taken in that direction. That is the kind of thing I should like to see happen because the sad fact is that what is allowed over here — and the freedom to demonstrate one's own convictions is one of the dearest rights we have — is not possible in the countries of the Eastern Bloc. I should dearly love to see this idea put into practice.

Mr President, getting back to my original theme, European political cooperation is now more essential than ever against the background of one Europe or no Europe in one world or no world. I should like to conclude with a quotation in English — a language which is as dear to me as it is to Willy Brandt — because it is my feeling that what is at stake here is the same as what we went through in the 1930s when the choice was 'to hang together or to hang separately'. The need to 'hang together' in today's and tomorrow's Europe is more vital than ever, and I hope that what I have had to say testifies to that sentiment.

IN THE CHAIR: MR DE FERRANTI

Vice-President

President. — I call Mr Lalor.

Mr Lalor. — Mr President, my group has always supported the process of European political cooperation. It is of deep interest to this Parliament and to the people of Europe. Europe has shown that it can exercise a real influence in the world for peace, for the lessening of international tensions, for just and humanitarian solutions where oppression and injustice exist and for the relief of human suffering and deprivation.

Lalor

The constructive influence which the Ten in the European Community are able to exercise comes from the fact that it is not perceived as a superpower or as a military bloc.

I regret to say, therefore, that there appear to be a number of governments who are anxious to change this situation and who feel that the European Community should also become a defence community within the Atlantic Alliance without any loss of the constructive influence to which I have already referred. This trend, as I see it, certainly is contrary to the traditions of our group.

The late General de Gaulle always insisted that defence was a matter pertaining to national sovereignty and that it was not the business of the European Community.

The Irish members of this group share that view and we wish to preserve our independent foreign policy in respect of defence and security. If at some future date we were to achieve full political, economic and monetary union which Commissioner O'Kennedy described yesterday as a dim and distant aim — in other words if, as a result of Community solidarity and convergence, a full community of interests were to be established between the Member States, — then, at that stage, and at that stage only, would Ireland be prepared to consider participating in the organization of a common defence. However, as of present we consider such proposals to be entirely premature.

As there has been a certain amount of confusion as to what the position with regard to the discussion of security matters within political cooperation is, I would like to put this interpretation on record, Mr President. Only last July the Presidency, in reply to Question No H-198/81, stated the existing position. It said: 'European political cooperation provides for an exchange of views on all important questions of foreign policy. Such questions have in the past included matters relating to the political aspects of security, as for example, the European Security Conference.' Another example that could have been given is coordination at the United Nations Disarmament Conference. However, such examples have been limited and have been the exception rather than the rule. In our view, the statement in the third report on political cooperation adopted in London last month: 'As regards the scope of European political cooperation and having regard to the different situations of the Member States, the foreign ministers agree to maintain the flexible and pragmatic approach which has made it possible to discuss, in political cooperation, certain important foreign policy questions bearing on the political aspects of security', should be interpreted in a similarly restrictive manner.

I also have reserves about the Ten approving the despatch of a Community peace-keeping force to the Sinai Desert. I am opposed to this proposal both for

political reasons and on principle. This would be the Ten's first military involvement, and we note with some alarm the belligerent statement by the French Foreign Minister, Mr Cheysson, that this would show that Europe was more than a talking shop. It is ironic but also frightening that certain countries should be returning under a new guise to the very scene of their last intervention as colonial powers 25 years ago, especially as their presence may still not be acceptable to many of the countries in the region. We also believe that a dangerous precedent may be set for the progressive involvement of the Ten in other military situations. In our view such missions should be carried out by Member States on their own responsibility and, as appropriate, within the framework of the alliance of which they are members, without involving the European Community.

Finally, I would like to turn briefly to the situation in my own country. The situation in the six countries of Ulster — as Members are aware — has become very grave. The two governments involved agreed last December in Dublin to bring forward policies and proposals to promote peace, stability and reconciliation and to set up an institutional framework to achieve that end. I appeal to this Assembly to give full support to our two countries in meeting the renewed and increased challenge to the very principles of freedom and democracy which are at the foundation of the Community in the north of our island.

President. — I call Mr Pannella.

Mr Pannella. — (FR) Mr President, once more you give me the right to silence instead of the right to speak, in this chamber which is nothing more than a desert. This policy, which you claim to be debating, but on which in reality you wish to silence us — what is its result? The holocaust, defeat, a new pre-Munich.

I therefore have no option but to be silent, since the fear of ideas, and particularly European ideas, is a characteristic of this Parliament. Here, Mr President, only silence can be great, and all the rest is weakness, lies and violence. Here lie the roots of the terrorism which is killing our children, here lie the roots of the massacre of 30 million people, here you reduce Rumor or Willy Brandt to a grotesque *acte de présence* instead of allowing them to bear witness to the people of our time.

Mr President, I respect you, but I have nothing but contempt for the level to which we reduce the ideas of Parliament.

President. — I call Mr Hänsch.

Mr Hänsch. — (DE) Mr President, ladies and gentlemen, I should like to add a few remarks on the

Hänsch

organization of European political cooperation to what Mr Brandt and Mr Jaquet already said this morning on behalf of the Socialist Group. In the current situation facing all the countries of Europe, we welcome and support absolutely any attempt to strengthen and give more substance to EPC.

There can be no doubt whatsoever that the political aspects of the security of the countries of Europe must be part of a coordinated foreign policy. However, it is also true that resistance has stiffened to an idea which has been under public discussion in Europe over recent months, i.e. the setting-up of a special Security Policy Council. We do not need any new councils; after all, a new council on its own is no guarantee of a new policy. That much is evident from the councils which are currently endeavouring — and failing — to formulate European policy.

Of course, it goes without saying that no clear dividing line can be drawn between security policy and defence policy. The European Community must be aware of its joint responsibility, which extends to the security of its peoples. The foreign ministers' decision of 13 October is a step in the right direction, and we support anything which might lead to a more coherent European policy in the world.

The Europeans must do more than they have so far to bring out their own identity in the world. There are certain processes, problems and interests which affect us Europeans more than other peoples. It is not enough just to complain about what are often seen in Europe as well-nigh incomprehensible about-turns and inconsistencies in American foreign policy without at the same time taking steps to ensure that the European countries do more to coordinate their security policy so as to defend their vital interests and safeguard the independence of Europe. That, ladies and gentlemen, will not require a new version of the European Defence Community. Nor is there any need for Europe to build itself up into a superpower; Mr Lalor may rest assured that that is not what we are after.

What Europe does need, though, is the coordinated formulation of its joint interests. But it is not enough simply to create new institutions — not even an improved version of European political cooperation. It is not enough simply to call for a more united approach without stating what the aims of that approach should be. Mr Brandt and Mr Jaquet made it clear this morning what the Socialist Group believes those aims should be. The Council and the Commission can count on maximum support if they succeed in making progress in this field.

Having said that, Mr President, ladies and gentlemen, we are bound to say too that the Community is faced with enormous internal problems, such as unemployment, the reform of the common agricultural policy, restructuring in the steel industry and the need to create a better balance between the poorer and the

better-off regions of the European Community. The process of Community development is stagnating, and everywhere there is a trend to more and more renationalization. European political cooperation is important, but if it becomes a means of evading the Community's other problems, it will lead us down a blind alley.

We realize that EPC needs to be strengthened from the organizational point of view, but we would warn against establishing any new bureaucratic set-up. We must retain the pragmatic and flexible approach to EPC we have had so far and not get forced into the strait-jacket of a new bureaucratic set-up, even in the form of a separate EPC secretariat. We support the idea of including the Commission at all levels of the EPC process, but European foreign policy cannot be conducted in isolation from the national diplomatic services' information systems. There is no substitute at present for that kind of thing — not even in the form of a joint secretariat.

We realize that, in all Member States, foreign policy is less closely linked to parliamentary work than other policy sectors. This is due to the need for secrecy, inter-governmental agreements and the need to safeguard national interests in a coherent fashion. The situation is no different at European level, but despite that, we must ensure that European development and the formulation and coordination of European foreign policy within EPC does not take place to the exclusion of the European Parliament or even against the wishes of the European Parliament.

The same applies to the other Community institutions. It will be up to us to ensure that the functions of the Treaty-based institutions — Parliament, Commission and the Council — are not undermined and that the process of integration does not get side-tracked in the indecisive field of EPC. The report by Lady Elles which we approved by a large majority in July was not taken sufficiently into account in what was decided by the foreign ministers in October. We should like to see the demands formulated in that report included in the discussions on improving and strengthening European political cooperation. We shall continue to insist that this House be involved in appropriate ways in the process of formulating and monitoring a coordinated European foreign policy.

We expect greater heed to be paid to our decisions in the work of European political cooperation. The foreign ministers and the gentlemen from the Council should not labour under the illusion that foreign policy can be pursued in isolation from the democratically elected representatives of the peoples of Europe in this House. They need us — if only as a sounding board — for their policies and their proposals. We are in favour of a coordinated European foreign policy. We are in favour of the further development of EPC, but we would warn against a development which amounts to no more than the creation of a new

Hänsch

mechanism. There is no point in having European political cooperation which does not serve the purpose of creating a European will. What the Member States' governments have achieved so far is not enough by a long chalk. We are still a long way short of our goal, which makes it all the more important for us to set out along the path.

President. — I call Mr De Goede.

Mr De Goede. — (NL) Mr President, any initiative taken to strengthen European political cooperation will receive our support because the fact is that the Community acting in unison can achieve more in many fields than the ten Member States acting alone. The conferences held in Helsinki, Belgrade and Madrid underline the importance of a cooperative effort, and another example of what I mean is the code of behaviour applying to companies from our Member States operating in South Africa. We do feel, though, that our democratic watchdog function as regards what is done in the name of European political cooperation must be improved. The European Parliament must have more say on what goes on, and it is to be hoped that today's debate will help in this respect.

It is unfortunate that we should be having this debate today whereas it is not until tomorrow that Mr Genscher will be coming here to expound his ideas. This is, to my mind, poor organization; it detracts from our influence, and that is a great shame. The further development of European political cooperation is a good thing because it goes without saying that the ultimate aim of our democratically organized and unified Europe includes a common foreign policy. After all, the gulf between our foreign policy interests and our economic interests is narrowing to the point of disappearing altogether. For instance, there is a close link between the oil supply issue and the Middle East problem. Trade with Eastern Europe is directly linked to East-West relations and the policy of *détente*. Then again, there is the fact that the steadily increasing differences of opinion with the United States should be inducing us to adopt more and more of a joint stance.

European political cooperation is essentially an inter-governmental set-up. That seems to be reasonable for the time being, although we should like to see the Commission more closely involved in EPC work. We are at the very least in favour of a relaxation in our relations with the United States. Europe should, however, be developing a more self-confident attitude precisely because of the fact that the interests of the United States and Europe appear to be moving apart, which is a dangerous state of affairs. We are very much in favour of the European Community exerting more influence on security policy. We do not want to see the Community develop into a nuclear power, but

we do want to see a definite increase in Europe's influence. After all, our very survival is at stake.

In view of the fact that Mr Genscher will be speaking here tomorrow, I think it advisable to keep our opinions to ourselves until he has had a chance to expound his ideas. I should like to say right now, though that I hope the initiatives taken by Mr Genscher, Mr Colombo and Lord Carrington — which have been enthusiastically welcomed in principle — will give the whole process fresh impetus. A shift of interest to European political cooperation will certainly not mean that less attention will be paid to the economic problems, which are after all immense — on the contrary! Mr President, we shall be listening intently to the reactions of the Council and the Commission to the whole question of European political cooperation.

President. — I call Mr Jackson.

Mr Christopher Jackson. — Mr President, may I express my personal hopes that when the Treaty comes to be revised, political cooperation will become an official part of the Community's activities, with the Commission playing a correspondingly important role in it and the President able, for example, to attend meetings such as Cancun?

Some commentators have expressed disappointment at the outcome of Cancun, but to my mind it was something of a triumph, in particular for our colleague Willy Brandt and the members of his commission, including Mr Edward Heath who is here today, that Cancun took place at all. We deplore the non-participation of the Soviet Union, but even so Cancun was an important part of the long process of creating the understanding and political will needed to speed up the development of the South.

I welcome the commitment of the Commission to this process, but I urge them and the Foreign Ministers to concentrate on practical measures, of real help to developing countries rather than following the siren voices urging the wholesale revision of an economic order that has worked better for developing countries than many believe. Indeed, we hear so much of the problems of development that many people in Europe have the impression that no progress is being made. On the contrary, we should recall that, helped, it is true, by the aid-and-trade provisions of the Community as well as the products of scientific research and international investment, many developing countries have made extraordinary strides since 1950, and that is greatly to their credit.

For example, in 1950 the average expectation of life in the poorest countries was only 37 years, but by 1976 it had risen by 40% to 51 years, while in the middle income countries, it has risen from 48 to 61 years.

Jackson

Literacy, too, has advanced enormously in the poorest countries from 22% in 1950 to 39% in 1976, while in the middle-income countries it has gone from 48% to 72%. Real income per head has advanced over the same period by one-half in the poorest countries and by one-and-a-half times in the middle income countries, while the most successful developing countries — the newly industrialized countries — have achieved sustained rates of economic growth that could be the envy of any country in this Community.

There is the lesson to be learned from this of great relevance to the continuing North-South Dialogue: countries do best when open to trade, when encouraging exports and when encouraging their entrepreneurs. I hope the Commission and the Foreign Ministers will continue to support this progress, but we must not wait for global negotiations to do more ourselves. When will the Commission, for example, do more to help developing countries benefit from the skills and technology and investments available from the industries of our Community? This would have a greater long-term effect than the food aid, on which we concentrate at present.

North-South problems are, of course, daunting. Few people can confront the 700 million living in 'absolute poverty', as the icy phrase has it, without feeling that sense of moral and practical urgency which this Parliament so rightly expresses from time to time. Of course we support global negotiations, but they must not deter the Community from enhancing now its practical, direct efforts to help the progress of the poorer countries of the world.

President. — I call Mrs Boserup.

Mrs Boserup. — *(DA)* Mr President, ladies and gentlemen, the extension or stepping up of political cooperation has given rise to considerable concern in my country. It is not that we are disturbed at the fact of ten sovereign States having their Foreign Ministers get together and discuss any problems there might be — we do not see anything wrong in that. What we are surprised at is the role of the Commission. We have been told in this Parliament that the President of the Commission himself sees this role as involving only observation and information, and this is some consolation at any rate since what a collection of supranational top officials — if I may describe the Commission in these terms — should be doing in circle of ministers might be a difficult question for us to answer. However, what is more important is the constraint on our independence in matters of foreign policy which have now accepted.

Denmark has a long tradition of cooperation with the other Scandinavian countries in matters of diplomacy and foreign policy. It would be a break with a very long tradition if Denmark were no longer able to take

part in joint action on this basis or could only take part provided it was first authorized to do so by the other nine Foreign Ministers involved in European political cooperation. We are afraid that this arrangement binds us to such an extent that we cannot maintain the progressive policy we tend to pursue as regards support to freedom movements, the struggle of repressed peoples, and the demand for an embargo against South Africa as long as the racist regime continues to exist. I see this as a step towards harmonizing a voice which may well be relatively insignificant but is nevertheless free and independent in the international scene and separating Danish foreign policy from that of the other Scandinavian countries. I get the impression that the views of the Danish voters are shared to a much greater extent by the voters in the other Scandinavian countries than by the people whose family we have now joined, and for I otherwise have the greatest respect.

We are also deeply concerned at the demand for confidentiality which is a pervasive feature of this arrangement, and I should be awfully pleased to know whether this confidentiality is to be taken so far as to forbid the Danish Foreign Minister informing the Danish public of the fact that he happens to have disagreed with the other ministers on a particular question. It would be very important for us to know exactly the extent to which Denmark agrees and the areas in which the Danes would allow themselves to adopt an independent viewpoint and we can only get to know such things if the Foreign Minister can inform the public.

Overall, what we have seen this week is the establishment of a close link between different countries and attempts to make us more of a family than we are in reality. These attempts appear contrived and do not create a good impression in my country. However, as I said at the beginning of my speech, I have nothing against the ministers discussing things together — they must merely be permitted to tell us what they are talking about.

President. — I call Mr de Lipkowski.

Mr de Lipkowski. — *(FR)* Mr President, we are parliamentarians with Gaullist leanings, and we have always thought that Europe ought to play in the world an important political role corresponding to the specific weight represented by its economic importance. That was the idea behind the Fouchet Plan, which took full account of this political dimension and institutionalized it. If that plan had not been rejected, we would not now be debating political cooperation — it would have been established long ago.

The time for regrets is past, and the time for action has come, all the more so because of the pressure of events, and for all the reasons given by Mr Jaquet in his excellent speech.

Lipkowski

The international horizon is darkening, the trouble spots are multiplying, the arms race is accelerating, and we are no doubt entering upon the most dangerous decade in terms of security since the last war. Now or never, therefore, the countries of Europe must together take the exact measure of the problems and the threats, and use all their weight to ward off the dangers. Therefore, yes to political cooperation, and more political cooperation!

This is easier to say than to do. Faced with such a problem one can take refuge in the institutional debate and look for new mechanisms. That is certainly not pointless, and that is why, in a motion for a resolution which we have tabled, we come out in favour of a permanent political secretariat to coordinate and effectively present the positions adopted by the Ten. But that is not the essential point.

The essential point is first and foremost the image which we project. Have we enough credibility to influence world decisions? The reply is no, if we show ourselves incapable of consolidating the Community by first settling the considerable internal problems facing it, and if we show ourselves incapable of giving it new impetus through new policies. In short, are we capable of, for example, settling the problems of the 30 May mandate — yes or no? Who will believe in Europe if we are not capable of carrying out the reform of the common agricultural policy or settling the question of the British contribution? The discussions now going on in London between the Ministers of Foreign Affairs do not encourage me to optimism. If we cannot, for example, strengthen the only common policy which exists — the agricultural policy — it will be impossible for us to launch any new policy and we will be threatened with internal collapse, with a sort of decomposition which will deprive Europe of any authority in world affairs.

My second observation is this: even if we are capable of agreeing on our internal problems, we must also at least be capable of agreeing on the current external problems which fall within our remit, namely trade problems. We must have a joint attitude on the Multi-fibre Arrangement, steel problems and problems of Japanese penetration. If we do not have this ability to agree on current problems, let us not deceive ourselves about our ability to play a real international role.

Thirdly, let us suppose that the conditions of a strengthened Europe, recovering its impetus and united in its external trading policy, are met. Would that mean that we had solved the problem?

In conclusion, even if we should always aim towards more common policies, we must realize that we shall not always succeed. Each nation retains in some cases its specific nature and the originality of its policies, and any systematic alignment is fruitless.

Secondly, we must have the will-power to manage to present a united image, but above all show the will and the courage also to be different, to be able to distinguish ourselves from the two superpowers. Moreover, that is very often what the world expects from us — to point to a kind of third way. Of course it is not a question of wishing to put ourselves forward as a systematic opponent of our great American ally. It is a question of remaining faithful to our alliances. But we can do this with full respect for the alliances, and if appropriate adopt an attitude of our own and refuse to align ourselves systematically. That was what Lord Carrington quite rightly did on the Middle East question and with regard to the European force in Sinai.

My final observation is this: let us not confuse security with defence. Tomorrow Mr Genscher will no doubt speak to us of the need to discuss security together. We agree with this. For example, should we follow up Madrid and continue this CSCE process, the third 'basket' of which — one must admit — has brought us only painful disappointments? Should we try to adopt a common view on the very specific threat to Europe posed by the installation of Soviet SS 20 missiles? I answer yes. We must therefore discuss amongst ourselves in order to reject any European neutralism. That constitutes a useful basis for discussion. We would not be able to tackle defence problems directly in this Parliament. At all events, if we succeed in strengthening Europe internally, if we know how to adopt a common policy on external trade, if we also have the courage to be ourselves without systematically taking account of earlier decisions by our great ally, we will be able to influence the threatening world situation and will thus be faithful to the hopes of the peoples which we represent.

President. — I call Lord Harmar-Nicholls on a point of order.

Lord Harmar-Nicholls. — Has the Presidency any control over the conventions as well as the rules of this House? It is very disturbing to note that of the last seven speakers only one remains in the House after they have made their own speech. The convention is that you do listen to other speakers when you have contributed to a debate. It is very interesting to note that Mr Willy Brandt, who is an experienced parliamentarian, who made his speech earlier, has sat on through all of the other speeches. How can we expect to run a parliament if we only make our speeches and are not prepared to listen to other people's points of view? Is there any way that the Presidency can improve that?

(Applause from various quarters)

President. — The Presidency is the guardian of the rules, not a guardian of conventions and the way to

Nicholls

change conventions is through occasional interventions on points of order of the kind that you have just made.

I call Mr Pesmazoglou.

Mr Pesmazoglou. — Mr President, I wish to emphasize the great significance of today's debate for all European peoples, and this certainly applies to the Greek people as well. The clear definition of the content and the procedures of a European political cooperation within the framework of a European community is a matter of the utmost significance for the functioning of the European Community itself as well as for matters of security and peace for all European peoples.

My second remark is that we all have noted a convergence of views between political groups with very varied ideological and political positions and this is a very hopeful sign despite the reservations we may have — and we have just heard some reservations from the spokesman of the EPP, reservations which we have heard before, mainly on matters of defence and foreign policy. I believe that with some degree of flexibility those reservations can be removed and that we can reach a solid political cooperation which will assure the presence and influence of Europe throughout the world.

I wish to make a further three remarks, Mr President. First, the reactivation of the Community itself presupposes a number of major political decisions and here I refer to specific decisions in connection with the convergence of economic and monetary policies which we were discussing yesterday.

In this connection I think one should stress, first, that a higher level decision is necessary for economic and monetary affairs. Secondly, the specific problems of each country should be solved in the framework of the European Community, within the principles, the procedures and the methods which have been applied hitherto and have been reached and have led to very fruitful results.

My second group of remarks refers to international problems and I wish to stress the importance of the considerations which have been provided by Mr Willy Brandt this morning. First on European peace and security. His remarks were that a strong European political cooperation can overcome many of the problems which arise automatically from the existence of two rival blocs. His second comment was that action on a wide international field, on the problems between North and South, are not only of a humanitarian character, they are also of major political significance and lead to progress within the European Community itself.

The third category of problems refers, of course, to the institutional problems. On those I wish to make the following remarks. The first is that the Treaty of the European Community entails in its substance political cooperation and progress towards political union. But very probably new contractual arrangements, a revised treaty would probably be necessary, and I think this would be welcome provided that we quickly achieve a breakthrough on those problems and the necessary constitutional arrangements which have to be made.

But two problems have to be noted. The first, which is of major significance to this House, is the participation of the European Parliament in political cooperation. That is of major significance and I wish to stress the remarks which have been made this morning by Mr Blumenfeld and by Mr Thorn himself.

The other problem is the role of the Commission. The role of the Commission can and should be enlarged to include initiative as well as specific reports and suggestions on matters of European political cooperation. That of course presupposes the enlargement of its responsibilities, and it should be clearly understood and provided for in a new treaty for the European Community.

I wish to repeat, Mr President, the major importance which we attach — and I am now speaking in the belief that this applies to the Greek people as well — to the strengthening of the European political cooperation for the good of the European peoples as a whole.

President. — I call Mrs Van den Heuvel.

Mrs Van den Heuvel. — *(NL)* Mr President, in the course of this debate on European political cooperation, a number of previous speakers from my own group and from other groups have remarked on the need for a specifically European role in the current phase of world history. The foreign ministers have indicated that they share this view. In particular, the Venice Declaration announcing a European initiative on the Middle East has become a significant political factor despite all the problems which various Presidents-in-Office have encountered in practice. Anyone with any sense of political realism must have realized that a European initiative could not solve all the problems at a stroke.

The Member States of the European Community will have to pursue a coordinated foreign policy with a great deal of perseverance and a fair share of modesty. There is precious little reason for us Europeans to beat our collective breast. Anyone who doubts that this is true should go and ask all those people — young and old — who are at the moment taking part in the wave of demonstrations in a large number of European cities against the arms race. This coming Saturday, the

Heuvel

capital of my own country, Amsterdam, will join the list of capitals which have already seen demonstrations of this kind: Bonn, Rome, Paris, London and Brussels.

My party is involved in organizing the forthcoming demonstration, and I too shall be taking part wholeheartedly alongside many thousands of other members of my party. I am just saying this, Mr President, to show that I too realize that Europe still has plenty of sweeping to do in its own backyard. And yet there is also a good deal of truth in what Willy Brandt said this morning to the effect that Europe has considerable experience in the quest for, and the safeguarding of, its own political stability. However, the history of our countries is so full of internecine strife and of problems of our own that it ought to give us cause to reflect that the problems in a particular area can only be solved by the countries of that area themselves.

Having said that, it is with the same degree of modesty that I should like to make a few remarks here today on behalf of the Socialist Group on the role of the European Community in Central America, another of the world's problem areas. Of course, my group is not suggesting that the Member States of the European Community should go into detail on how things should be arranged in that part of the world, but in the same way as the European Community has come to accept its responsibility *vis-à-vis* the Middle East, we feel that, in view of the grave situation in Central America, there is every reason here too for Europeans to become politically active.

Of course, there has been no lack of political interest in that part of the world, Europe included. The Christian Democratic World Union — and above all, the Socialist International — have put in a great deal of work on El Salvador and have tried to set things in motion in terms of a political settlement. But the reaction on the part of the official Community institution, the Ministers of Foreign Affairs meeting in political cooperation, has so far been minimal. Parliament has come out on a number of occasions against the horrific level of violence in El Salvador. We have expressed our sympathy with the families of the many, many people who fall victim to this violence every day. Not so very long ago, we adopted resolutions on the situation in Guatemala and El Salvador, and we have been told in the Political Affairs Committee and in plenary session by the President-in-Office of the Council on a number of occasions that our resolutions are being given serious consideration.

As a result, I have a number of highly specific questions I should like to put to the President-in-Office. Why was it that, at the General Assembly of the United Nations, mention was made of this House's resolution on El Salvador, not on behalf of the Ten, but by the spokesmen for one of the Member States, the Dutch Foreign Minister? Why has there been no reaction whatsoever on the part of the Ten to the Franco-Mexican initiative? In our view, Europe has

missed a chance here to play a political role on its own account and thus to be the moderating factor Willy Brandt and others referred to this morning.

The US Secretary of State, Mr Haig, says in public that military intervention on the part of the United States in certain countries in this part of the world cannot be ruled out. In the face of what I would call this politically irresponsible remark, an effective moderating influence on the part of the Europeans would have been highly appropriate.

I should like to conclude, Mr President, by saying that I hope the way in which the President-in-Office of the Council answers my questions will show that the assurances he is always giving that the European Parliament must exert more influence on political cooperation amount to more than merely paying lip-service. I shall therefore be listening to his reply with interest.

President. — I call Mr Kirkos.

Mr Kirkos. — (GR) Mr President, ladies and gentlemen, it is an understandable objective that the European Community should have an effective voice in the forum of international relations, whether on the North-South or East-West dialogue or on any other major international problem.

However, a European Community largely dependent on the United States cannot present itself convincingly in its own right to the rest of mankind. Thus there is an obvious need to devise an independent strategy which is friendly towards both the United States and the Soviet Union and which would extricate the European Community from the rivalry of the superpowers and enable it to take convincing initiatives of its own.

Today there are a number of problems of pressing international importance which could serve as a criterion for our determination and ability to devise such an independent policy. What does the Community say, for example, with regard to US President Reagan's strategy, which does not exclude the possibility of limited nuclear conflict on European territory and thus carries above our heads the threat of the nuclear destruction of Europe with all that the latter represents as a cultural epic of mankind? We would reply with a clear 'no', just like the extremely broad peace movement which is inspiring all the peoples of the Community, and if we do not seek by way of negotiations a return to détente, to the course set at Helsinki, as Mr Willy Brandt has reminded us today, we shall let Europe be dragged into the whirlpool of unbridled rivalry and disaster towards which the policy of the present American leadership is drifting.

A second criterion would be our attitude towards the Middle East crisis: who can fail to see the meaning of

Kirkos

the large-scale American exercises in Egypt? Either we are prepared to back the American rapid intervention force and thereby incur the boundless enmity of the entire Arab world, while at the same time showing how supremely hypocritical we are, or we can adopt a policy which, based on the full recognition of the right of the Palestinian people to a homeland and on the recognition of the PLO, will enable us to take initiatives which will have the support and cooperation of all the peoples of the region and will exclude the possibility of new outbreaks of hostilities serving the interests of third parties.

We are obviously in favour of extending political cooperation, but in a direction which will ensure an independent policy of peace, détente and struggle against underdevelopment, poverty and hunger, i.e. a policy which is likely to lead to replacing the logic of military armaments with fewer arms and more food and schools. However, as long as we cannot agree on such a direction — and we must continue our efforts untiringly — we are, ladies and gentlemen, against any change in the present decision-making system for critical political problems.

President. — I have received five motions for resolutions with request for an early vote to wind up the debate.¹

The vote on the requests for an early vote will be taken at the beginning of tomorrow's sitting.

I call the Council.

Lord Trefgarne, *President-in-Office of the Council.* — Mr President, it is a great pleasure and privilege to appear before you today on behalf of the Presidency. Lord Carrington, I know, would have wished to have been here himself today, but this has been a pretty hectic week in the life of the British Foreign Office. Most of us have hardly been out of an aeroplane long enough to write our speeches, let alone deliver them. I myself have been at the Foreign Office for only two months now and I am not surprised therefore that Mr Blumenfeld, who intervened earlier in this debate, did not recognize me. I hope that next time there won't be that difficulty. I have been able to be here for virtually the whole of this debate and have naturally listened with great care. I shall take care to see that Lord Carrington is made aware of the views of Parliament.

I am particularly pleased to be able to intervene immediately after the representative of the party newly elected in Greece. I am also particularly delighted that the Belgian Foreign Minister, who is sitting on my right and is, of course, to take over the Presidency shortly, is also able to be here. I listened with particular pleasure and attention to Lady Elles. I believe that it is self-evident to anyone reading the London report on political cooperation that the ideas of Parliament, and particularly those ideas associated with

Lady Elles herself, have been carefully taken into account. I also think that the dialogue between the Council and Parliament has been productive. This is a view held throughout the Council, hence the visit of all the ten ministers last evening.

I was surprised that Mr Fanti thought there was no or not enough activity on the Middle East. Lord Carrington himself has just visited Riad on behalf of the Ten. But, in particular, may I refer to the position of Sinai and the multinational force of observers which is much in our minds just now. Consultations are continuing with the aim of establishing a basis for participation in the Sinai multinational force. In particular, there have been consultations among the Ten and with the United States to agree on arrangements to meet the practical requirements for the MFO in conformity with the well-known position of those proposing to participate, and these consultations are continuing. Our objective has been to agree a basis that will be as helpful as possible and as unprovocative as possible to all those concerned. Given the complexities of the Middle East situation, this is not a simple task and naturally it takes a little time.

Turning now to some more general matters of political cooperation, I entirely agree with Signor Rumor, who was here earlier, that political cooperation is based on the foundation of the economic integrity of the Community. But it is based also on the desire of the European people for peace and stability, particularly of course as expressed in the views represented so eloquently in the Parliament here today.

Signor Rumor also referred to the advisability or indivisibility of détente. Certainly the Presidency, and particularly of course the various governments that make up the Ten, believe in the latter most emphatically, that is, that détente is indeed indivisible. It is for that reason, for example, that we attach such importance to a resolution of the situation in Afghanistan which led to the President visiting Moscow in that connection back in July.

I would like to turn now, if I may, to the recent conference at Cancùn in Mexico, which was referred to by a number of speakers in this debate. The Community as such was not represented at the conference; but there were three Community participants — France, the Federal Republic of Germany and the United Kingdom — which were invited in personal capacities. But the United Kingdom, as the Presidency, naturally took careful account of Community views and represented them at the conference.

We consider that the Community participants contributed substantially to the success of the summit; interventions concentrated upon practical issues and set the tone for the positive and fruitful discussions. The debates on food and energy at Cancùn were particularly valuable. A great deal of follow-up action will be required in the United Nations and the specialized

¹ See Minutes of proceedings.

Lord Trefgarne

agencies, and the Community will certainly be playing its full part to ensure practical and worthwhile results from these activities.

I was delighted also that Mr Brandt was himself able to be with us today and to deliver a speech with his usual eloquence, and he would naturally like me, as I imagine you all would, to make a reference to the Brandt report.

The recommendations of that report have been fully taken into account by the Community in its approach to development matters. The report certainly contains much with which the Community agrees, and we particularly accept the central message of the interdependence of world economies. The issues raised in the report have been discussed on several occasions in the development Council. Much practical work remains to be done by the Community in areas covered by the report, notably on food and on liberalizing trade — for example, implementation of the GATT agreements, revision of the GSP and the entry into force of the Lomé II Agreement.

If I may speak more generally, however, about the North-South Dialogue, of which naturally the Brandt report forms a part, as indeed did the Cancùn Conference, that Dialogue is above all concerned with the improvement of relations between the developed and developing countries, to which the Community attach the greatest importance. This is a continuous, ongoing process, not a finite, one-off action. Since Cancùn, attention has focused on New York. The Community hopes that the preparations for a new round of global negotiations can be completed as soon as possible, and I think the General Assembly's recent resolution 34/138, is a basis upon which to do so, but the initiative now lies with the President of the General Assembly.

The Commissioners, when they spoke, referred to the Community response to this Parliament's resolution on hunger in the world. The Community and Member States have taken, and will continue to take, a constructive approach on matters relating to world hunger. The Community has increased its annual cereal aid under the Food Aid Convention from 1.29 million tonnes to 1.65 million tonnes, and in November 1980 the Council passed a resolution agreeing to multiannual commitments on food aid. Furthermore, the Community has supported IMF measures to establish a new food-financing facility to assist countries suffering exceptionally high cereal import costs. The Community was also active in negotiations to extend by 2 years the Wheat Trade Convention and the Food Aid Convention. Finally, on 3 November 1981, the Council agreed to further Commission suggestions in a plan of action against world hunger providing for assistance with national food strategies, regional operations and world food security and including an immediate extra 40 million

units of account for food aid to the least developed countries.

Mr O'Kennedy also referred to the Nairobi Conference on new and renewable sources of energy and the possibility of a Community follow-up. At that conference a programme of action was adopted which, the United Kingdom and other Member States believe, forms a basis for the development and application of new and renewable sources of energy for the benefit of all countries. Further work will be done in New York on the implementation of this detailed programme, and European Community countries will play a full and constructive role. The Community and Member States agreed to cooperate fully with the least-developed countries in implementing a substantial new programme of action adopted at the UN conference on the least-developed countries which took place in Paris in September. The Community and other Member States have promised to give special consideration to certain practical measures to help the least developed countries, including, as I have already mentioned, improvements to the GSP.

I turn now to some more specific matters of political cooperation which have been raised by various speakers during the course of this debate, and I may mention now the question of the Middle East generally. I have already referred to the narrower question of the participation in the Sinai force. The Ten remain firmly committed to an active role in the Middle East, as set out in the Venice Declaration. The Presidency has taken every opportunity to urge all sides to accept the principles of that Declaration, particularly the mutual recognition of Israeli and Palestinian rights. In wishing to work together with all sides in the Middle East, we have welcomed Crown Prince Fahd's eight principles as a positive contribution towards progress to a peace settlement. Lord Carrington's recent visit, in his capacity as President-in-Office, to Saudi Arabia, which I referred to earlier, was a further example of the Ten's commitment to achieving a Middle East settlement.

The question of disarmament is much in our minds just now and has been referred to by several honourable Members in the course of the debate. The Ten have frequently repeated their concern at the excessive level of armaments in the world and their desire to see this level reduced through a process of multilateral disarmament. In particular, they have welcomed the announcement of the resumption of the TNF negotiations and will continue to support the resumption of SALT.

They will also continue to work at the Madrid CSCE meeting for a conference on disarmament. This is, of course, taking up what was originally a French proposal and is a matter which has been occupying the minds of the delegates at Madrid recently and may well prove to be a singular success from that conference. Such success, if it comes, will owe a great deal to the cooperation of the Ten in bringing it about.

Lord Trefgarne

May I just make a reference at this point to the peace movement which is so much in evidence in Europe just now? There are those who say that that movement is a result of covert pressure from some Eastern European countries. Although doubtless such pressure plays a part in those activities, I have a feeling that the principal motivation behind it is a genuine anxiety among those who demonstrate in that way about the threat which faces Europe at the present time, and I hope and believe it will be possible to alleviate that threat in the months to come in the various talks that are taking place.

May I now turn to some more general matters relating to political cooperation which have exercised the minds of some of the interventions today? There are a number of measures referred to in the London report which were agreed by ministers on 13 October. The Ten believe that these improvements — I will refer to them individually in a moment — will enhance their ability to achieve common positions and joint action on foreign policy matters.

On the crisis procedure, for example, which was referred to by Mr Haagerup, I think, henceforth the Political Committee or, if necessary, a ministerial meeting will convene within 48 hours at the requests of three Member States. In this way the Ten will be in a position to coordinate rapidly their views and responses should a crisis develop.

On the question of the support staff for the Presidency, the precise size and shape of the staff will depend upon the needs of the Presidency-in-Office. It will consist of a total of two or three officials seconded from preceding and succeeding presidencies and so will have a rotating membership. In this way it will strengthen political cooperation and ensure its continuity without threatening the direct contact, pragmatism and economy which are among the virtues of the present arrangements.

May I also touch on the relations between the Commission and the political cooperation group. The Ministers of the Ten also agreed in the London report that henceforth the Commission will be fully associated with political cooperation. This means that the Commission will attend political cooperation meetings at all levels. In this way coordination between political cooperation and the Community will be considerably strengthened and the increasing range of the subjects will concern them both.

Mr President, I believe that every Member of this Parliament who has spoken today has called for Europe to use its influence in favour of a more peaceful and stable world and for greater efforts for development and disarmament. Europe's ability to exercise such an influence depends on its ability to use its own resources efficiently and to strengthen its internal organization. But it also depends on Europe's ability to speak to the outside world with one voice.

That is what we are trying to do in political cooperation, and I believe we have made considerable progress. There is still much to be done, but the pace and intensity of political cooperation in recent months bears witness to our will to do more.

I well understand the impatience of Members for a more rapid advance. But anything we do must be on the basis of a full and free consensus of all the members. If you try to go too fast you only store up trouble for the future. Nevertheless, the interests and enthusiasm and indeed the ideas of this Parliament, which one of the speakers today rightly described as the conscience of Europe, is a constant reminder to the Member States that we must redouble our efforts in pursuit of a common foreign policy.

When I began my speech I mentioned the presence of the Belgian Foreign Minister who is taking over the presidency shortly, but I think I have just been joined by the Irish Foreign Minister and I think perhaps that this is yet another demonstration of the importance attached by Members of the Council to the work of this Parliament.

(Applause from some quarters)

Mr President, I am glad, I must say, to have been able to address this Parliament today. I feel I have not been able to allay all the anxieties of every honourable Member on the points which have been raised, but I hope that my presence today, and above all the meeting yesterday, have served to underline the importance which the Council attaches to a continuing and indeed increased dialogue with the institutions.

President. — Unless the Assembly has any objection, I shall call another two speakers before we adjourn.

I call Mr Almirante.

Mr Almirante. — *(IT)* Mr President, allow me, with all the respect due to the Presidency, to protest. For it is displeasing to speak when one already knows that one cannot obtain an answer.

At all events, in the very short time available to me, I would like to point out that this debate relates only superficially to Parliament's role in political cooperation. The real subject of the debate is the political contribution of this Parliament. Unfortunately, it has emerged from the debate that this Parliament does not have a political function other than a consultative one — among other things, consultative on actions of which it is informed after they are taken, and not with regard to actions which have yet to be taken.

Almirante

Mr Thorn, who made a minimalist speech, spoke of 'first steps'. Mr Rumor spoke of measured steps, and Mr Brandt spoke of a European Parliament in crisis. These gentlemen timidly depicted a situation which is essentially one of crisis for this Parliament.

I recall sadly that at the beginning, when we were elected two and a half years ago, there was talk of a Parliament of the people and of the peoples of Europe. Since then, the first steps should have been taken — timid steps or measured steps, as Mr Rumor said. In reality, we have the impression that substantial steps backward have been taken.

So much so that this very debate takes place on the basis of questions and not even on the basis of motions for resolutions, since it is well known that Parliament may not even offer an coherent opinion on the subject which could bring about a different course of events. In this connection I must confine myself to pointing out — in order to conclude very rapidly as I promised — that the Commission and the Council of Ministers should mark my words. Mr Thorn's Commission has today adopted a minimalist and resigned attitude. The Council of Ministers itself — if it does not come out in favour of a fruitful, clear, open, free and meaningful dialogue between Parliament and the government of Europe — will find itself essentially deprived of its popular base and increasingly far removed from the interests of the peoples of Europe.

One final observation: both my Communist colleague Mr Fanti and Mr Brandt spoke of the pacifist marches which have taken place here and there in Europe, and particularly in West Germany.

It was with satisfaction that we took note of Mr Brandt's statement that Germany is very strongly aligned — of course in a position of autonomy, independence and dignity — with the Atlantic Alliance and Western agreements.

But in the marches which took place in Germany and other countries, symbols and placards were brandished on behalf of one side only — to be specific, the Soviet side — and people demonstrated for a pacifism which would not be conducive to peace, since to achieve peace one must follow the path of security. By demonstrating in the streets or in the parliaments for peace or pacifism without security, people would lead Europe to lose its own spiritual and ideological freedom and — may God forbid — even its political freedom.

President. — I call Mr Adamou.

Mr Adamou. — (GR) We representatives of the Communist Party of Greece share the concern at the increase in international tension reflected in the ques-

tion tabled by Mr Fanti and others. We agree that the ten countries of the EEC can help to reduce tension, to achieve disarmament, to defend peace and to prevent the outbreak of nuclear war in Europe — which is the apocalyptic threat of the representatives of the United States Government, Mr Haig and Mr Weinberger, and even of President Reagan himself. The governments and peoples of Europe can help to prevent such a crime against humanity.

We nevertheless have some serious reservations about political cooperation between the ten countries. We are not against cooperation in general, but we are afraid — on the basis of our experience — that political cooperation at EEC level is being used to impose upon the governments of the Member States a pro-Nato and pro-Atlantic policy, and such a policy naturally serves neither the cause of peace and security nor the cause of the new and more just international economic order which has been proclaimed. A topical example is the proposal to send an EEC peacekeeping force to the Middle East. This would mean that the EEC essentially welcomes the Camp David agreement — an agreement which is radically opposed to the interests of the Arab peoples, and particularly the national interests of the people of Palestine. The Greek people and the democratic political forces in our country do not recognize the Camp David agreement, and they openly support the struggle of the Palestinian people.

Quite apart from the questions of common interest to the Member States of the EEC, the individual countries have received various proposals which, if implemented, would contribute decisively to the strengthening of peace in our part of the world. One such proposal, for a nuclear-free zone in the Balkans, has been received by Greece from the President of our neighbouring country, Bulgaria. In accordance with the demands of the Greek people, the government now in power in our country has declared that it will remove all foreign bases and nuclear weapons from Greece. It would therefore be unacceptable if, in the name of political cooperation between the Member States of the EEC, our country were to impede the development of its own pursuit of peace, security and national independence.

President. — I should like to inform the House that we have fixed the speaking time for tomorrow's debate on the statement by Mr Genscher.¹

(The sitting was suspended at 1.15 p.m. and resumed at 3.00 p.m.)

¹ See Minutes of proceedings.

IN THE CHAIR: MRS VEIL

6. *Topical and urgent debate*

President

5. *Agenda*

President. — I call Mr Collins.

Mr Collins, *Chairman of the Committee on the Environment, Public Health and Consumer Protection.* — Madam President, I refer to our short open discussion on Monday when we were looking at the draft agenda for this week, and I refer in particular to the report by Mrs Weber on environmental impact assessment. Now we have been discussing this with a variety of people from most of the parties in the plenary session and we have come to the conclusion that, partly because of the difficulties of the agenda itself, its overcrowded nature, and partly because of the unfortunate form in which this report is being presented to the plenary, that it would be better to adjourn discussion on this matter during this session and to ask that it be retabled for the plenary session at a future date. I would suggest with respect, Madam President, that the future date would probably have to be February.

President. — In accordance with Rule 87 of the Rules of Procedure, your request will be put to the vote when the Weber report is called.

Mr Collins. — Madam President, I do not like really to suggest that your interpretation is in any way wrong, but I would suggest that it matters very little to the plenary session whether you vote now or whether you vote later except that on a Wednesday you probably have a much more representative cross-section of the Parliament and so are better able to judge whether or not the thing is worthy of debate on Thursday or Friday. I would point out that, the way the agenda is going, it is unlikely that this would be debated before Friday morning. My interpretation of Rule 87 is that it is a little bit ambiguous on this point and I do think that it would be perfectly permissible to take the vote now.

President. — We shall ask the Committee on the Rules of Procedure and Petitions for a ruling on this matter.

In the meantime, I shall put your request to the vote.

(Parliament agreed to the withdrawal of the report)

President. — In accordance with Rule 48 (2), second subparagraph, of the Rules of Procedure, I have received the following reasoned objections in writing to the list of subjects for topical and urgent debate tomorrow evening:

- from Mr Schmid, on behalf of the Socialist Group, seeking to exclude from the debate the motion for a resolution (Doc. 1-704/81) by Mr Klepsch and others on the situation in Malta;
- from Mr de Courcy Ling, on behalf of the European Democratic Group, seeking to exclude from the debate the two motions for resolutions (Docs 1-753/81 and 1-765/81) on Turkey;
- from Lady Elles and others, seeking to exclude from the debate the motion for a resolution (Doc. 1-719/81) on plastic bullets;
- from Miss Brookes and others, seeking to include in the debate the motion for a resolution (Doc. 1-758/81) by Mr Prag and others on Parliament's committees.

The vote on these objections will take place without debate.¹

(...)

After the rejection of the first objection

Mrs Lizin. — *(FR)* A point of order, Madam President. I just want you to be aware how much this Parliament is bringing discredit on itself by adopting urgent procedure on Malta and rejecting my motion ...

President. — That is not a point of order, Mrs Lizin.

(...)

After the adoption of the second objection

Mr Blaney. — Madam President, this is in relation to Item 7 on the urgency debate list. Since there is but one hour, it is the intention that this should be withdrawn and resubmitted at a later date. Therefore I would suggest that the time of the House should not be wasted on Mrs Elles' proposal that it be deleted.

¹ The report of proceedings includes only those parts of the vote which gave rise to speeches. For a detailed account of the voting, refer to the minutes.

President. — The objection by Lady Elles therefore lapses because the motion for a resolution has been withdrawn by its author.

(...)

After the adoption of the fourth objection

Mr Boyes. — Is it in order, Madam President, to protest that two hours of urgent debate time have been taken off the agenda to debate enlargement through the accession of Portugal and Spain? I have two reasons for raising this point. Some very important urgent items — for example, one concerning peace — are not admitted for debate this session . . .

President. — This is not the time for an explanation of vote, Mr Boyes. All the debates on enlargement have been placed on the agenda and the list of urgent debates has been drawn up by the group chairmen in accordance with the Rules of Procedure.¹

7. Political cooperation (continuation)

President. — The next item is the continuation of the joint debate on political cooperation.

I call Mr Fellermaier.

Mr Fellermaier. — (*DE*) Madam President, ladies and gentlemen, this morning's debate ended with the President-in-Office of EPC saying that he had been joined not only by the Belgian Foreign Minister, who would be taking over the Presidency, but also by the Irish Foreign Minister. We, the Socialist Group, would like the Foreign Ministers to agree not necessarily to appear in threes in the first row, but at least to ensure that one of their number is present whenever European political cooperation is discussed in this House. That would then be a practical follow-up to the assurance given by the Foreign Ministers last night in the joint meeting attended by the Enlarged Bureau and the ten Foreign Ministers.

Allow me, ladies and gentlemen, to make what I believe to be a necessary comment on Turkey even in the absence of the President-in-Office of EPC. Our relationship with Turkey is governed by a special consultation procedure under the terms of political cooperation with the European Community. Turkey is linked to us — not *de jure*, but *de facto* — under the terms of political cooperation, and the special associate status of Turkey is reflected in that country's involvement in EPC consultations.

That being so, the Socialist Group takes the view that the Foreign Ministers should use the good offices of European political cooperation to bring pressure to bear on the general's regime in Ankara to persuade them at last to announce a definite timetable for the introduction of the new constitution, the admission of political parties and the holding of general elections in Turkey. The Turkish generals are clearly leaving themselves plenty of time, but are at the same time misjudging political opinion in our countries. The fact is that we are no longer prepared — and Parliament has acted on this feeling in the budget debate — to use taxpayers' money to help Turkey so long as repression is rife in that country and the basic liberties are conspicuous by their absence. European public opinion will not accept a state of affairs in which such a respected man as the former Prime Minister of Turkey, Mr Ecevit, is imprisoned for four months simply for daring to protest against the forcible dissolution of all political parties and confiscation of their assets. I must say as a German Member that all this is unfortunately very reminiscent of what went on in Germany in 1933, when the parties there were disbanded and their assets confiscated. It is almost exactly the same all over again.

The Socialist Group therefore wishes to make a number of demands of the Foreign Ministers to be passed on to the Turkish Government in the context of political cooperation. Firstly, we call for the early restoration of the basic rights of freedom of activity for political parties and especially trade unions. Secondly, we call for the restoration of genuine freedom of the press. Thirdly, we call for the military state of emergency to be raised as soon as possible. Fourthly, we call for a thorough investigation of all charges of torture and for all those convicted of involvement in torture to be punished. Fifthly — and this is an essential demand as far as we Socialists are concerned — we call for a guaranteed right for democratic Turkish politicians to be allowed to travel outside Turkey. It is quite simply an intolerable situation for democratic politicians in the European Parliament for the long-standing Turkish Co-chairman of the EEC-Turkey Joint Committee to be prevented from leaving his country or for Mr Ecevit to be prevented from giving a guest lecture on the hundred years anniversary of Kemal Ataturk at Hamburg University.

Any regime which acts like that eventually loses all credibility with its stereotyped assertions that parliamentary democracy will soon be reintroduced. It is now time for the generals in Ankara to match their words with deeds.

The Socialist Group therefore calls on the Foreign Ministers meeting in the context of European political cooperation to make this clear to the Turkish Government at long last. This is really their last chance; not

¹ Rule 49 of the Rules of Procedure: see Minutes.

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even Turkey should stretch the patience of democrats in the European Community to breaking point.

(Applause from the Socialist Group)

President. — I call Mr Radoux.

Mr Radoux. — *(FR)* Madam President, when things are moving one should not take refuge in facile criticism but help them to move in the right direction. As a representative of a small country, I am pleased with the intentions stated at the beginning of the year by Mr Thorn on institutional matters, with the initiatives being taken at the moment by Mr Genscher and Mr Colombo and with the content of the recent memorandum by the French Government. We are living at the moment in a state of confusion from which we can emerge only by a new awareness on the part of the political institutions of the Community. Allow me to make three observations on the current situation.

My first observation concerns the common policies. If one must be flexible in order to bring political cooperation plans to a successful conclusion, it must be cooperation with a view to coordination. But we must also be clear about our other policies in the social, economic and monetary fields, which relate to the system of integration. The desired improvement in political cooperation must not become a pretext to mask our weaknesses. Political cooperation will only exist if Europe makes a satisfactory response to the economic challenges which threaten to destroy it.

My second remark concerns the operation of the Council. As stated in Mr Genscher's document and the French Government's memorandum, formulae must be found for ensuring that the voting system within the Council of Ministers is effectively applied. If no positive decision is taken on this matter, nothing will change. The Council, the Commission and Parliament must together make their contribution to a radical change in the way our Community's decision-making centre works. Indeed it has become a centre of indecision, largely responsible for the widespread impotence of our Community. Without a spectacular recovery, the 30 May mandate will not be implemented and the successful enlargement of the Community will become a mere illusion.

My third remark concerns the plan for a political cooperation secretariat. The plans which failed in the past must not be taken up anew. The creation of a political secretariat independent of the present Council Secretariat-General would be a mistake, because this new secretariat would be working in a vacuum. What we must do is to reserve precise tasks for a section within the Secretariat-General which would be able to make use of the existing infrastructure and would intensify the activity of the national diplomatic chan-

nels by infusing, as it were, a stronger mixture. Only they can lead to shared views on the conduct of a European foreign policy.

I shall conclude with security. One should unreservedly welcome the opening of negotiations at the end of this month between Americans and Russians on some aspects of arms limitation. We should show the same interest in the plan for a European disarmament conference, under discussion at the Conference on Security and Cooperation in Europe now being held in Madrid. The representatives of the European Community should try to ensure that this Conference does not end without a formal commitment to opening negotiations on so-called confidence-building measures, in order to improve them, as well as on all armaments, whether conventional or nuclear, on European soil. Only the weight of real political cooperation is capable of bringing this security plan, of French origin, to a successful conclusion.

President. — The joint debate is closed.

8. Protection of shipping routes for supplies of energy and strategic materials

President. — The next item is the report (Doc. 1-697/80), drawn up by Mr Diligent on behalf of the Political Affairs Committee, on the surveillance and protection of shipping routes for supplies of energy and strategic materials for the countries of the European Community.

I call the rapporteur.

Mr Diligent, rapporteur. — *(FR)* Madam President, ladies and gentlemen, nearly two years ago now my friend Olivier d'Ormesson first raised the question of the protection of shipping routes in the form of an oral question and then as a motion for a resolution.

He must have had an uncanny premonition. Just a short while later, his comments assumed a sharp relevance, as war broke out between Iran and Iraq. Cast your minds back to that time. For several days, Europe feared the worst, namely that the conflict would escalate, that one of the warring parties would seek to overwhelm the other by controlling the Persian Gulf, that the waters of the Gulf would be mined, and even that the conflict would spread to neighbouring States. In short, we feared that a severe oil shortage would cripple our industries. It turned out that the presence of American, British and French warships was sufficiently dissuasive to help prevent a major disaster.

It was in this context that the Political Affairs Committee discussed the report. A number of colleagues have argued against it and raised objections

Diligent

which were sincerely held. No one has a monopoly over defence and safety and we all have a right to safeguard peace. I am quite sure that the forthcoming debate will maintain this high level of principle since in the face of such a momentous problem.

The first objection which has been raised is that it is not up to us to tackle this problem as it is outside the sphere of our competence. I am not going to dwell on this point. Precedents have been established for some time now. Further confirmation has just resulted from the meeting held in London on 13 October, when the Ministers for Foreign Affairs admitted that security questions could be tackled in the context of political cooperation. Some of them maintained that this problem should be the sole reserve of the NATO authorities. But those who did so were forgetting that the 1949 Treaty is concerned only with the area to the North of the Tropic of Cancer and has no legal jurisdiction over what happens elsewhere.

In point of fact, at their next meeting the Ministers of Foreign Affairs will not be able to avoid the topic of the naval manoeuvres which are currently taking place both in the South Atlantic and in the North Sea and with the participation of European fleets. These manoeuvres have not received much coverage in the press but they should not be allowed to remain the concern solely of the general staffs as the public is entitled to know whether the governments really are safeguarding shipping routes and how they are managing to do so.

Indeed, their survival depends on it. Not only our oil supplies but also other urgently required products are dependent on this protection. If these communication links were cut or even slightly interfered with, we could be brought to our knees in a few months or even in a few weeks, and with us would topple a number of Third World countries towards which we have commitments. The report by Mrs Louise Moreau, which has just been adopted by the Committee on External Economic Relations, spells out a grim warning of inevitable doom.

Imagining dramatic events is not the same thing as getting carried away by fantasy, which is what one of our colleagues on the Political Affairs Committee believed we were doing. We need only recall that when war broke out between Iraq and Iran, observers predicted that it would all be over in a few weeks, instead of which it has turned into a war of attrition and may well take a different turn from one day to the next. We are talking about a part of the world where some heads of States — unfortunately — are not rational beings but raving fanatics, and where unpredictability is a fact of life. When, in addition to that, some people seem bent on destabilizing the West, then anything could happen.

What is more, since the whole world today is rather like a powder-keg and it only needs one fool to light

the touch-paper, it is quite possible that communication routes could be disrupted not just through the disputes rocking the Gulf States but also, quite simply, through antagonism between the East and West.

While we here have been keeping a close watch on the border with eastern Europe, have been counting the number of SS 20 rockets and having heated debates over the deployment of Pershing missiles, the Swedes have been flabbergasted at the sight of a Russian submarine going aground near one of their ports. In other words, the devil is not always where you expect to find him!

We must therefore adopt a global approach which takes into account all these aspects when we are considering this problem. That is why, inevitably, this debate will lead us to reflect on security questions. I recall that it was on this issue that our Political Affairs Committee split into two camps.

The lessons of history could be of help to us now, but it seems that people's memories fail with every day that passes. I was only twenty years old when the Munich crisis occurred and I subsequently spent a great deal of time thinking about the reasons which led us to wage a war which we tried but were unable, to avert. In the 1930s — which in many ways, particularly on the economic front, resemble the 1980s — the democratic countries of the free world broke three essential rules without which peace cannot be maintained.

The first of these was solidarity: the United States had adopted a totally isolationist policy, Great Britain and France contented themselves with a friendly agreement, while our Belgian friends — to name but one example — felt obliged to take refuge in neutrality.

The second rule to be broken was that of consistency. Confining myself only to my own country, I remember that its diplomacy was at loggerheads with its strategy. It ought to have had weapons to protect Czechoslovakia and Poland, instead of which, with a remarkable lack of logic, it erected a whole strategy of defence around the myth of the Maginot line.

Finally, our resolve failed us. Just cast your minds back, in turn, to the occupation of the left bank of the Rhine, the Anschluss, the Sudetenland, Munich, and Hitler's entry into Prague: every time we gave in, it brought us nearer to the brink of war. But it is clear that if, at that time, the free world had expressed solidarity, had been consistent and resolved right from the beginning, then the cataclysm could have been avoided. I believe that we need to stick to these three principles more than ever today if we still want to work out a policy for the coordination, protection and surveillance of shipping routes and, more generally, if we want to think about a security policy for the future.

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That is why — and I will not beat about the bush — when it comes to the question of security and safeguarding peace, we really must find a way of overcoming our internal disagreements. I fully and openly concur with the remarks made during the last few years, by the man who is now the President of France, and, in particular, those he made in an interview with the 'Monde' newspaper on 31 July 1980, in which he reminded us of the need for solidarity among free nations with these words: 'If we in France are too inward looking and withdrawn we could end up being so neutral that we cut ourselves off from the affairs of the rest of the world and particularly those of our closest neighbours. But if we refuse to feel solidarity with them, how can we possibly expect them to feel any for us?'

I also support his remarks to the effect that we need greater clarity and consistency and echo the sentiments he expressed when he said that he hoped, at least, that the West would not be caught out by the trick which doomed the Curiatii in the days of ancient Rome.

The fact is, we in the West no longer know the state of our alliance, what the Treaty covers, the reciprocal commitments which it implies and the threats posed by automatic reprisals. Finally, I support Mr Mitterand in his call for greater resolve. 'You do not build true friendship' — he has said — 'simply by appearing to be amenable. We will get more out of the Russians if they respect us. By that I mean that they will respect our ability to say 'no' when we have to. As a result, when we say 'yes', it will carry more weight.' Adopting a stance of calm, quiet strength in our relations with the outside world meets with my full approval, and I am not being ironic when I say so.

Europe's task is twofold. Firstly, we must declare our determination and state quite clearly that we will never withdraw into a precarious neutralism. To be pacifist does not mean defending peace with words, it means actively seeking ways to guarantee peace. The idea of unilateral disarmament being bandied about at the moment would spell certain doom for us. Both neutralism, and a certain way of viewing the Atlantic alliance — whereby Europe would be reduced to a protectorate — would be seen as evidence of European impotence.

Instead of that, Europe must make its common voice heard much more within the Atlantic alliance, must make an effort to come up with its own defence policy and take steps to one day become a pillar of the alliance, not through a return to a common armed force, but by means of ever more pronounced coordination.

In a notable article which appeared in the 'Nouvel Observateur' on 16 June of this year, our former colleague Gilles Martinet must have had this report in mind when he went so far as to write 'Must it always be left up to the United States and to the USSR to

make all the moves, whether it is a question of supplying arms or fitting out ships for the fleet?'

Europe's other task — and here I am inclined to agree with what Mr Brandt said just now — is to recall that, in the light of the upheavals it has suffered and in line with its humanist traditions, Europe's final aim must be to achieve lasting peace.

Let us never forget, that, while peace cannot be safeguarded by a neutral stance and by attempts to achieve a balance, at the same time this balance is not an end in itself, and even less is it a stage in the unending arms race which is sapping the strength of the industrialized world, which is depriving the third world of the help which it needs more than ever, and which, quite simply, threatens us with extinction, as the time is not far off when 10, 15, 20 or more Heads of State will each have their own bomb! I shudder to think what some of them might be capable of, especially the one who was the bosom friend of a certain Amin Dada, who, a few years ago was heard to say that Hitler was the greatest member of the human race and had not killed enough Jews!

Our attempt to achieve greater security and our refusal to admit defeat are only justifiable if, at the same time, we have the firm will and a permanent commitment to encourage or to take all possible steps to convince all the parties concerned that our final objective must be the gradual, and — above all monitored multilateral disarmament.

President Reagan is, I think, at this very moment holding a press conference and stating his intentions with regard to the forthcoming Geneva meeting. If what we have been told this morning is borne out, we must encourage any effort towards peace — not blindly, but with our eyes open — and we must hail it in the form of a united Europe.

I will end, ladies and gentlemen, by saying that two visions of Europe are possible. One may envisage Europe adopting a resigned and neutralist position and very gradually abandoning its responsibilities. In such a Europe, our hands would not be soiled, as Peguy would say. Well, our hands might not be soiled, but that would be for the simple reason that we would no longer have any hands! Europe would soon be divided, torn apart and balkanized and would end up being the pawn of others. On the other hand, we may prefer the vision of a determined and united Europe destined to play a leading role, if it manages to convince itself that safeguarding peace and freedom are inseparable concepts.

(Applause)

President. — I call the Socialist Group.

Mr Hänsch. — (*DE*) Madam President, ladies and gentlemen, the Socialist Group will be rejecting Mr Diligent's report. We do not object to Parliament discussing the protection of sea routes. Parliament must obviously discuss all matters affecting European interests. Nor do we intend to question European solidarity and the need to bolster western security. We reject this report because it was inadequately prepared, set out in an unbalanced way and dangerous in its treatment of the prospects for peace. What do you want, in fact? Basically, you want two things — to coordinate the activity of the Nato fleets outside the Nato area and to strengthen naval forces. Preparation of your report in the Political Affairs Committee was insufficient. The Committee lacked the expertise to judge this difficult and complex report. A majority of Committee members — believe it or not, ladies and gentlemen — rejected the required experts' hearing. And then this report is brought before a plenary sitting of this House! The report is presented in an unbalanced way, since it leaves the key questions unanswered. There is indeed cooperation between fleets, for example, in the Indian Ocean between the American and French, the French and the British and the British and American fleets.

In the explanatory statement to your report, Mr Diligent, you call upon the Federal German navy to take part in these exercises. But, as you should know, our constitution makes this impossible. Such a move would be bound to fail, since it is against our constitution. You should not use reports like this to ask us to act contrary to our constitution.

Lastly, this report is dangerous in its outlook. It calls upon the Member States to strengthen its naval forces. How can we, ladies and gentlemen, take such a decision in the face of world hunger and after the many debates this House has held on this subject? How can this House take such a decision after all the demands, for example for arms limitation, which it has repeatedly made? You are concerned exclusively with calling for an increase in naval forces in Europe. You do this without the slightest thought for what this would mean for equilibrium in Europe, which you constantly maintain forms part of world equilibrium. Your report contains nothing about what all this implies for efforts directed at arms limitation. There is no suggestion that these demands bring us closer to the brink of a precipice!

Mr Diligent, you have drawn parallels with history. But I can also draw such a parallel: before the First World War the European steel industry was going through a serious crisis, as it is today. The only thing the political leaders could think of to overcome the sales crisis in the steel industry was to strengthen their navies by building battle cruisers and destroyers, etc. You may remember this from your history lessons. The painful outcome of this was felt by the people of Europe in 1914. I fear that the majority of this House can think of no other solution.

True, we must safeguard our raw materials supplies, but in harmony with other powers rather than in opposition to them. Those who want Europe to be a force for peace and equilibrium must reject this report!

President. — I call the Group of the European People's Party (Christian-Democratic Group).

Mr d'Ormesson. — (*FR*) Madam President, fellow Europeans, you who are quite right to abhor war, I must warn you that men who have no conscience, politicians without any scruples, are asking you to campaign for unilateral disarmament when you are confronted with a totalitarian power which is openly and deliberately scheming to impose its yoke upon you and to fashion a world where justice, freedom and love will not be able to exist.

Before you state your unconditional desire for peace, you ought to begin by granting its premise which is to guarantee your own safety. We should all heed the warnings given by J. B. Duroselle in the book he has just published entitled 'Tout empire périra': the very idea of unilateral disarmament, once it is set in motion, is a factor of war.

There is a very short answer to the question as to how we could have allowed the Soviet Union to seize control of more populations and territories than any other conquering nation in history. This has been allowed to happen because of its military might, backing up a dictatorial brand of diplomacy which seeks to impose its will on others, whether what's at stake is the deployment of Pershing missiles or the manufacture of the neutron bomb.

How many times does it have to be said that, with its 250 SS 20 rockets, each equipped with three warheads, giving them three times as much chance of destruction, the Soviet Union is quite capable of completely annihilating western Europe. What is more, it has *Backfire* bombers with twice the range of F 111 and Mirage fighters, and there are 52 000 Warsaw Pact tanks as opposed to 17 000 NATO armoured vehicles.

On 17 April 1980, I had the honour of pointing out to you that the Soviet submarine fleet — consisting mainly of attack vessels — had increased in strength, as has its high seas surface fleet, which has grown from 260 to 362 vessels in the last fifteen years. As Mr Diligent's report admirably shows, this fleet threatens our fuel and mineral supplies in both the Straits of Hormuz and along the Cape of Good Hope route.

What is more, the Soviet Union can call on the support of a whole network of terrorists, mainly trained in Libyan camps, whose purpose is to spark off the so-called liberation movements which arise in Africa and the Middle East, and these terrorists are directly under the command of Boris Ponomarev,

d'Ormesson

head of the foreign policy division within the Central Committee of the Soviet Communist Party. Brezhnev has even gone so far as to admit the fact, as he told the President of Somalia, Sian Barre: 'Our aim is to seize control of the two things which the West needs most badly: oil from the Persian Gulf and raw materials from central and South Africa.'

In the face of such a blatant desire, how do we respond? We need to respond with common action to strengthen our common security. This is what many people here want but they always expect the Council of Ministers to make the first move in reply to their suggestions, and in two main directions. Firstly, to restore the balance between the military forces of the Atlantic alliance and those of the East, and secondly, to put our economic relations with the Soviet Union on a radically new footing.

At this very moment in time, the debt owed by the Comecon countries amounts to more than 80 000 million dollars, more than the entire funds granted under the Marshall plan. Have we made a contribution to disarmament by granting the Soviet Union loans when — foolishly — we have not given such loans to any other country? There are those who say that this policy will help to offset unemployment by obtaining orders for our industry and agriculture and will help to thaw relations between the East and the West. Well, the case is far from proven, as can be seen from the paltry imports of Western goods by the Soviet Union!

Since that is how things stand, I warmly welcome Mr Diligent's initiative. He has clearly spelt out just what is at stake.

Ladies and gentlemen, we need only recall what Lenin himself said:

'The West will even sell us the rope with which to hang it!' I tell you that the time is now ripe to relaunch the idea of a European Union which should be based on our will to resist. Charles Péguy was in the habit of saying that capitulation was essentially an attempt to substitute explanations for deeds. Cowards may spew forth explanations as they will, but since André Diligent has had the guts to raise the problem of our security for the future, let us praise his initiative and firmly support the conclusions of his report and its proposals.

(Applause)

President. — I call the European Democratic Group.

Sir Peter Vanneck. — Madam President, I would just like to make a few points arising out of Mr Diligent's excellent report and to emphasize them to fellow parliamentarians.

Member States today depend for 55% of the energy they consume on imported oil; that is oil supplied by sea. Member States now depend for more than 25% of coal burned on imported coal, that is coal supplied by sea from Poland, Australia, South Africa; you name it.

Member States depend greatly on imported uranium ore and on imported enriched uranium to fuel their nuclear power stations, that is fuel in two conditions supplied by sea from different sources over great distances.

Member States depend on rare metals — platinum, chrome and so — for their technology industries, i.e. imported ores supplied by sea.

Parliamentarians who ask whether there is merit in debating a security subject should satisfy themselves that there is no risk to continuous supply of these materials to the firms in which their constituents earn their living, to the firms in which their nationals earn their livings. This is a matter in which neither parliamentarians nor governments can be neutral. The political problem centres around the responsibility of suppliers and customers to ensure that what is sold can be delivered. This is a shared responsibility for the supplying States and for the governments of the industrialized States.

The discharge of this responsibility requires consultation and decision by the governments of the Member States on the protection of sea routes outside the sphere of responsibility of NATO and of the territorial waters of the supplying States. It depends on joint patrols, on refuelling and victualling facilities, an interface with the armed forces of nations which are not unfriendly to the Community. I would instance Morocco and Nigeria as an example. And the discharge of the responsibility requires political consultation by the Council on the right approach to the governments of the ACP States, the Council for Cooperation of the Gulf States — a new organization to which we ought to pay particular attention — and the governments of associated states to define what cooperative action must be taken in their common interest. Let me emphasize that industry in Ireland, Denmark and Greece can be brought to its knees as easily as industry in the other seven Member States can be crippled. The aims of States which are unfriendly to the Community must be borne in mind in considering the great merit of the motion for a resolution by Mr Diligent.

Prudence dictates defensive precautions for the security of oil and raw material supplies alike. There is nothing warlike in taking precautionary steps designed to ensure that the Soviet Union does not torpedo the social and economic life of the Community's citizens by torpedoing the Community's merchant ships on the high seas.

Vanneck

The foundation of the Community is the free expression of its peoples in their free enterprise. The principle is the right to express this and other freedoms. The foundation and the principle are being challenged by the Soviet Union in Mozambique, Angola, South Yemen, Afghanistan, Ethiopia and Poland. What a list! When will fellow parliamentarians, particularly those across the hemicycle, read the evidence before their eyes?

I end, Madam President, in no warlike frame of mind, but I would remind this Chamber that the adage *si vis pacem, para bellum* has its origin way back in Roman times. It is a principle which has proved itself over time. I do not, for a moment, suggest that we could do otherwise than heed it now.

President. — I call the Communist and Allies Group.

Mr Galluzzi. — (*IT*) Mr President, I wonder whether our colleague Mr Diligent really believes what he is saying and what he has written in his motion for a resolution. Is he really convinced that the Soviet fleet intends to attack the shipping routes connecting Europe with Africa and the Persian Gulf so that it can cut off our supplies of oil and raw materials? Can he really be subscribing to the theory that 'if you want peace you must prepare for war' at a time like this, when, instead of gearing ourselves up for a conflict, we really ought to be doing our utmost to promote peace and détente and a meaningful dialogue between East and West? This is what Europe so sorely needs.

What is certain, is that the scenario depicted by Mr Diligent in his motion for a resolution evokes the spectre of an armed conflict between the East and the West and a general nuclear war which nothing would be able to save us from, no matter how big our forces! In the face of such a threat, ladies and gentlemen, what is really at stake — and a true test of our mettle — is to do all we can to avert it by any means possible.

To begin with, safeguarding supplies is not a military problem. It is above all a political problem, since, before we can protect them, we need to fill our oil tankers and, since the old gunboat diplomacy has been discredited, we can only secure our supplies by fostering a new relationship with producing countries, by adopting a peaceful policy, by trying to ease tension and avoid conflicts, by collaborating equally on both sides and by recognizing their independence and autonomy.

Since it is just not credible that Mr Diligent is so obtuse that he cannot grasp the situation, ladies and gentlemen, we must assume that securing supplies is not the real aim of his motion for a resolution. The problem which he really wishes to raise is something quite different, namely, the extension of the North Atlantic Treaty to cover the area south of the Tropic

of Cancer, and Europe's participation in an international police force as part of an enlarged NATO fleet. We find this proposal quite unacceptable and dangerous. It is an attempt to tie Europe to the global strategy of the Americans, even though a number of European countries and their governments have expressed doubts, reservations or even outright opposition to this strategy. What is worse, is that it seeks to involve Europe in a spiralling, and on-going conflict between the East and the West and in an arms race which poses very serious threats not just to the stability, but to the very existence of our Community.

I would argue that there is a growing call nowadays for disarmament, for dialogue and for negotiations, which is emanating from young people, from workers, from all sections of the general public in the countries of Europe. This idea has gained so much ground, ladies and gentlemen, that sufficient progress has been made in negotiations for Brezhnev to be persuaded to say that he is ready to examine the possibility of dismantling SS-20s and for Reagan to say that he is ready to consider the zero option, to cancel the deployment of Pershing and Cruise missiles in exchange for the Russian concessions.

Of course we realize that the problem of Europe's autonomy remains, but this needs to be solved not by tightening military chains and conditions, but by relaxing them. Instead of an arms race, what is needed is more decisive moves to promote peace. That is the best way of defending Europe, ensuring the safety of its supplies and guaranteeing its peaceful development. For these reasons, Mr President, the Italian Communists and Allies will vote against Mr Diligent's motion for a resolution.

(*Applause from the Communist and Allies Group*)

President. — I call the Liberal and Democratic Group.

Mr Galland. — (*FR*) Madam President, at this stage of the debate, I really wonder whether André Diligent is the man to blame for all this fuss. Of course he is, our Communist colleagues say, they who drafted a highly significant request for withdrawal on Monday; yes, of course he is, if your basic idea is that his report is reopening the European Community defence debate closed in 1954 and, consequently, that his report is outside the scope of our competence as defined in the Treaties.

Ladies and gentlemen, we must not allow ourselves to get carried away by fiery speeches and impassioned tirades, but must keep our heads and study the case before us calmly. The topic first arose because of a remarkable oral question put by Mrs Louise Moreau on the supply to the Community of vegetable and mineral raw materials, in January 1980. The debate which followed showed without any shadow of a

Galland

doubt that Europe was both dependent and vulnerable, not just where oil was concerned, but also with regard to six indispensable, not to say vital, raw materials upon which our European economies depend. Fortunately, our colleague Mr d'Ormesson was listening closely and, being a logical Frenchman, he decided to go into one particular aspect of the question, namely the vulnerability of shipping routes by which the essential raw materials are usually transported.

Since that is so, for the Liberal Group Mr Diligent's report is quite straightforward. It sets out what is, above all, a basic economic problem for the Community and raises implications for our security. Given the context, even if we only concern ourselves with these questions, I feel we must expose the hypocrisy — not to say the irresponsibility — of those who are dredging up institutional questions at a time like this, not to mention those who no longer know whether they ought to ask such questions or not. I cannot get over the hypocrisy of those who go on and on about the economy, its revival, employment and unemployment and yet who are nevertheless quite prepared to see our ten different economies paralyzed for lack of raw materials, even though I agree this is unlikely to happen: but even if it is unlikely to happen, why is it that some of you refuse even to talk about it and what are your true motives? To tell the truth, the Communists have given themselves away by the request for withdrawal which they tabled on Monday, while the Socialists' position, as explained by Mr Hänsch, is rather disappointing. As for the others, how irresponsible it is of them to avoid the issue by evoking institutional problems when we live in a world which changes every day and where the Council has to come to rapid decisions on different questions all the time. Can it be that the European Parliament, elected by universal suffrage and Europe's symbol and conscience, will be the last body to move with the times? The sceptics and the timid among you ought to face facts and tell your voters that Europe as a whole faces the threat of a severe shortage in our raw material supplies: the danger is a real one. We should all work together to secure our shipping routes in order to avoid what would be an economic catastrophe for us. Yet there are some people here who do not think we should even discuss it, because they say that the Treaties do not give us permission to do so! We in the Liberal Group do not subscribe to such views. In our opinion, there are some inescapable conclusions to be drawn.

Firstly, if we tackle this problem before it occurs by getting ourselves organized, we can really take positive and effective steps to diminish and avoid the risk of conflict. In other words, we would be doing something positive for peace; we cannot go along with Mr Galuzzi on this point.

Secondly, Parliament must continue to play the role it has been given. This includes carrying out substantial

economic studies, examining any implications for security and transmitting its opinions to the Council.

Thirdly, it is just not true that the report we are discussing today calls into question the sovereignty of the developing countries concerned, despite the fact that such a scandalous allegation was made by the Communist spokesman on Monday. The conclusions of the report are in the interest of all parties, both the producing countries and their customers.

To sum up the position of the Liberal Group, ladies and gentlemen, while we may well not be prepared to discuss the resurgence of a European defence community and a European army such as vanished in 1954, neither are we prepared to stand silently by and permit this House to become a laughing stock on account of its ineffectuality in the eyes of our disbelieving fellow Europeans. Feeling as we do, we support Mr Diligent's report and would like to thank him for the important task he has performed and at the same time we should like to point out to our colleague, Mr Hänsch, that we shall not be voting on the explanatory statement. We are voting on a motion for a resolution and I should like to end by saying to him that if you want to take part in the fight against hunger in the world — a rather facile and demagogic element to introduce into this debate — it is all the more essential to secure peace first.

(Applause from the Liberal and Democratic Group)

President. — I call the Group of European Progressive Democrats.

Mr de Lipkowski. — *(FR)* Madam President, the problem raised by Mr Diligent is a very real one. It cannot be denied, that particularly since the Soviet invasion of Afghanistan and their advance towards the Straits of Hormuz — that fearful geographical trap — that we have become much more sensitive — and quite rightly — about securing our oil supplies and, more generally, about securing our supplies of raw materials. If these supplies were to be cut off, the European and Japanese economies would find themselves in a stranglehold and would therefore be totally paralysed.

We do not therefore dispute the fact that there is a problem, but question whether it should have been evoked in the form chosen by Mr Diligent within this Assembly; I believe that Mr Diligent has raised the right question in the wrong place. I think he had a suspicion of this himself when he said it was more a matter of security than defence. In my speech this morning, I pointed out that security was our business here in the European Parliament, whereas defence is not our business. The report, however, refers directly to defence questions. When Mr Diligent asks Member States to boost their shipbuilding industries, he is talking about defence. But it is not up to us here to

Kipkowski

decide whether France or Great Britain are going to build or ought to build a new nuclear submarine, or whether Germany ought to increase its surface fleet. These questions of armament do not concern us.

A better course of action would be for us to consider the possibility of contacts and the feasibility of collaboration between the WEU, which deals with European defence and has its own parliamentary assembly and our own institutions. But I am sure that it is no good for an Assembly to concern itself with affairs which are not its own, by which I mean defence problems. Does anyone here believe that governments would take any notice of what we would have to say on such questions?

Given the circumstances, let us not risk our credibility unnecessarily; no Assembly can afford to do so. Let us concentrate on the real problem, namely securing supplies of oil and raw materials. This is a problem which we must discuss. We can adopt Mrs Moreau's approach, discussing the problem from the angle of measures to secure Community energy supplies by stockpiling contingency supplies; at the moment, we know that these stocks are insufficient. We could also set up a European body to organize the stockpiling of so-called strategic materials and materials for peaceful industrial purposes. The list of products concerned is well known. The United States has stockpiled both chrome and manganese by the ton and has thus freed itself from the threat of embargo so that it cannot be black-mailed or affected by any disruption of communications. This is the sphere in which we are competent to act and this is the approach which we ought to adopt, as Mrs Moreau has so rightly pointed out. In addition, we could take a long hard look at the possibility of concluding long term supply contracts with producing countries. Those are the points that I wished to make, ladies and gentlemen. It is not up to this House to discuss the problem as it has been put by Mr Diligent, even though a very real problem exists. It is risky even discussing defence in this Assembly. As the responses to the problem evoked by the rapporteur in his report are not our affair, we shall abstain from voting in this motion for a resolution.

President. — I call the Group for the Technical Coordination and Defense of Independent Groups and Members.

Mrs Hammerich. — (DA) Madam President, we have often said what we think about the proposals for a Community military fleet. This would, I repeat, be in conflict with the Treaties, colonialistic, reminiscent of the cold war, irresponsible and amateurish. Defence is not the matter for the Community. However, the motion for a resolution can be understood in a broader context, i.e. the militarization, as it were, of the Community which has been taking place in recent years and which must be halted. This process of mili-

tarization takes place at three levels, i.e. politics, defence and arms production. At every level the wall separating the Community and NATO is being chipped away.

First of all, the highest of these three levels — i.e. the political level. Here it has transpired that as from 13 October security policy comes under political cooperation and that the President of the Council does not wish to distinguish between security and defence. Thus, the borderline is fuzzy and all sorts of things are possible.

This brings us then to the actual situation in the arms industry which forms the basis for many a cold war. Some of the largest arms factories in the world are in the Community. In France alone more than 300 000 persons are employed in arms production and cooperation on arms projects takes place in the Community. Now there are certain strong forces in the Community who would like to see Community arms production proper as part of a joint industrial policy. They insist that arms productions on a real Community basis would create jobs, even though it has been proved by peace researchers that arms production creates fewer jobs than civil production, as we all know very well. For example, according to UNESCO, 450 000 dwellings could be built in developing countries for the price of a submarine.

Mr Davignon said in the Greenwood report that arms supplies and military technology must form part of a Community industrial policy and Mr Tugendhat said in October that the Member States should coordinate military investments. These plans have received the support of this Assembly, as we can see from the Klepsch report, various questions which have been put and now the scandalous report which has been produced by the Political Affairs Committee on armament, on cooperation between the Community and NATO, on preparing Europe for war and on converting civil production to military production. In the no man's land between foreign policy and the material basis in arms production there are a plethora of plans and proposals, such as the proposal for this military fleet and the Christian-Democratic proposal for overall, integrated Community defence, which was fortunately omitted from the agenda for this part session. In addition, there is Mr Tugendhat's wish for a Community defence policy with a view to strengthening NATO and the wish of the Italian foreign minister, Mr Colombo, for a Community defence policy. These proposals are proceeding apace at this time and it is depressing to see the great pressure which is being brought to bear.

In all this, one can glimpse a future with the Community as an organized military-industrial complex, an alliance between arms producers, the army and politicians and determined by the fact that the arms producers want to sell their products to the politicians who will have difficulty in explaining to the

Hammerich

people that new arms should be bought before the old ones have worn out and when there are already enough atomic weapons to destroy us all several times over. Atomic weapons are difficult products to market since the more one knows about them the more one comes to abhor them and for this reason, one has to establish a cold war, i.e. an illusion that the enemy is planning to attack and is stronger and full of a lust for war. The military-industrial complex thrives on distrust and cold war like a plant on water. However, if the cold war is to be convincing, one has to take the risk of being permanently on the brink of real war and this is where the myth of the possibility of limited nuclear war in Europe comes in. This forced link with the arms industry is in conflict with wishes which are deeply cherished by the entire population of Europe for *détente* and disarmament. Millions of people demonstrate in the big cities. For example, there will be major demonstrations in Denmark on 5 December.

To the peace-loving Members here today I should like to say that I know you will reject Mr Diligent's phantom fleet. However, you would be naive to think that if a commercial market such as the Community were to turn into a superpower in matters of foreign policy anything could come of it except a vast military-industrial complex. Think again before — perhaps for idealistic reasons — you promote European Union. Stand firmly by the view that arms and defence lie outside the scope of the Community since this is the only safe attitude to adopt if one looks at the situation in practice in the complex which centres around the arms industry.

IN THE CHAIR: MR BRUNO FRIEDRICH

Vice-President

President. — I call Mr Bournias.

Mr Bournias. — (GR) I regret, Mr President, that I cannot agree with the previous speaker. I cannot agree with her because she sees dangers where there are none while failing to see them where they exist. As a Greek, I must state that I am not unaware of the seriousness of the question before us, since I come from a country which, except for its northern borders, is surrounded by sea, and therefore it is vitally important for it to supervise and protect the transport and communications sea routes which ensure the supply of energy and strategic materials to the countries of the Community.

As is rightly stressed in the motion for a resolution by the Political Affairs Committee, concern is justified

regarding the maritime communications which link the Community with the oil-producing countries and the countries which produce the raw materials which it consumes, in view of the continuation of the Iran-Iraq war, and there is no certainty that there will be no escalation of the conflict in the Persian Gulf region, from which Europe obtains its oils supplies. Furthermore, the strained relations between the United States and the Soviet Union, whose navy and merchant fleet — and this is a general observation — have become considerably bigger in recent years, is increasing concern and makes it necessary for maritime countries to step up their supervision outside the zone covered by the North Atlantic Treaty and to take a greater interest in the shipping and the economic development of the Third World, which will run a grave risk if shipping links are cut. The responsible institutions of the Community are being called upon to take the necessary decisions in time, since the EEC countries are directly dependent on oil imports which are transported almost exclusively by sea.

Lastly, I should like to congratulate the rapporteur, Mr Diligent, on his report and express my conviction that the Commission and the Council will come up with answers to the problem of avoiding an oil shortage, which would also cause a further increase in prices.

President. — I call Mrs Charzat.

Mrs Charzat. — (FR) Mr President, ladies and gentlemen, I have five main points to make concerning the report by Mr Diligent.

Firstly, as the Socialist group of the European Parliament already pointed out a year ago, Mr Diligent's report does not come under the competence of the Treaty of Rome. It deals with moral defence questions. That is why, unlike the rapporteur, I do not intend to dwell on the balance of forces between the East and the West, nor do I wish to be party to a campaign to increase tension between the East and the West within this House.

Secondly, it seems clear to me that Mr Diligent is mistaking the effect for the cause in his report. It has been common knowledge for a long time that Europe is vulnerable in terms of energy supplies. Given its high level of technology, nothing should have prevented the European Community from providing itself with alternative energy sources after 1973, nor is there anything stopping it from doing so today, as Mr Ortoli emphasized yesterday. Very little has been accomplished in this direction since the first oil crisis, but there is no naval force in the world which could give the European Community the security offered by enormous energy savings and the exploitation of alternative energies in conjunction with the use of advanced technology.

Charzat

What is more, the European Community is so feeble that even where it is rich in resources — and here I am thinking of agriculture — it has deliberately placed itself in a position of dangerous dependency. I am alluding to protein folders. According to the logic of the Diligent report, when the United States declared an embargo on these products in 1973, the countries of the Community should have had their boats out along the American coastline!

My third point is that Mr Diligent's report is not only against the interests of the Community, it is also against the interests of peace in the Middle East.

Since the war began between Iraq and Iran Saudi Arabia has increased its oil exports to the European Community, but the steps proposed by Mr Diligent would have the effect of blighting the efforts at cooperation between Saudi Arabia and the moderate States. What is more, on several occasions already, the moderate Gulf States, meeting under the auspices of the Gulf Cooperation Council have plainly declared their support for the free circulation of products and free navigation within the Gulf. All that Mr Diligent wants is to apply the old gunboat diplomacy to the moderate Gulf States. That is a fine way of going about protecting Europe!

At the very moment — in short — when the Ten are seeking ways to find peace through diplomatic negotiations in the Middle East as part of a political cooperation exercise, the rapporteur's proposals are such that, without a shadow of a doubt, they will destroy any chance of a solution to the Middle East conflicts and undermine the European Community's attempts at a diplomatic intervention in world affairs.

My fourth point is this: while we and the Community have 10 million unemployed on our hands and while the Third World is labouring under the unequal terms of North-South relations, Mr Diligent's report reveals a cynical lack of regard for the Third World. Third World development does not depend on a coordinated European fleet but, on the contrary, on free and equal exchanges in the spirit of the Cancun Summit. The President of France himself supported this. Indeed, if we were to follow through what the rapporteur is saying, we would not only have to patrol the Gulf but also all along the African coasts in order to safeguard supplies of sensitive materials. This would be quite impossible — as well as ridiculous — and would go against the spirit of free trade and exchanges, the autonomy of countries and the sovereignty of States.

It is possible that Mr Diligent is unaware that there is already *de facto* cooperation between fleets within the Atlantic alliance, and that this is more than sufficient?

My fifth point — to sum up — France has loudly affirmed a basic principle of international law: that of free circulation on the high seas and oceans and free circulation in straits. The slightest obstruction to the

free movement of ships could not be tolerated by us and this principle applies to everybody, including the two super-powers.

The fact of the matter is that Mr Diligent's undisclosed aim — and one which we cannot accept — boils down to his desire to see the French navy incorporated into the forces of NATO, which would lead to a specialized attribution of tasks, heralding the fact that the European Community was completely under the thumb of other powers.

President. — I call Mr von Hassel.

Mr von Hassel. — (*DE*) Mr President, ladies and gentlemen, it is not really worthwhile discussing the contribution of our colleague, Mrs Hammerich, but I think three sentences should be flatly contradicted. She spoke of a cold war and colonialist aspirations and described the report as shallow and scandalous. But I would like to take issue with three sentences in which she says that you — and she is clearly referring to Mr Diligent and the European People's Party, who tabled this motion — wanted to prepare Europe for war and were intent on converting the economy to war production.

I would like to make it very clear, at least on behalf of my colleagues, that there is no-one in this Chamber who cannot with a clear conscience call himself peace-loving. There is no-one in this Chamber who is involved in making preparations for war or who is striving or in any way preparing to convert the traditional economy to a war economy. Those who criticize this report — and some are quite bitter in their attacks, though a large number support it — clearly fail to appreciate its value to us all. It describes the dependence of the Community and other countries of free Europe on oil supplies from the Near and Middle East and on supplies of raw materials from these regions and from the third and fourth worlds. I consider that the report offers a careful and genuine approach which should provide a basis not only for our ideas but also our decisions.

One speaker in this debate has already remarked that we should also be thinking of the third and fourth worlds. That is precisely what the report sets out to do. It discusses not only the dependence of Europe's industrialized countries — and that includes most of us — on imports, but also on exports. Europe's exports to the third and fourth worlds are as vulnerable as its imports and thus depend on whether the peaceful intentions of those who could possibly obstruct shipping routes will be maintained in the long term.

Ladies and gentlemen, who can promise that the other partner in world affairs will not one day put its consistently global approach to the test and apply pressure to

Hassel

us by exploiting our dependence on imports and exports by sea and take account of this in its strategies? I think Mr Diligent described what could happen then in three scenarios. The whole report is worth reading, but I feel that this part deserves particularly careful study. I can only agree with those who maintain that the Political Affairs Committee should have consulted experts. The conclusions reached would probably have been more dire, because the experts would probably not have been as cautious as many politicians, who cannot see and will not discuss realities but live in their own dream world.

In this situation we should consider for the moment that in this Europe in which we have to decide a feeling became widespread in the decade of detente which was marked by utopian neutrality — a feeling which was totally unrealistic. People were concerned only with nice and pleasant things, the fabric of society became ever more closely woven, and the demands which a constant stream of new ideas placed on the various nations and one's own nation went way beyond the limits of what was financially feasible. The willingness to achieve something oneself was eroded, indeed vilified. In this connection Mrs Charzat referred to the failure of the countries of Europe and the Community to come up with its own ideas and solutions to the problem of its dependence on imports of oil and other energy supplies. But this House has often discussed this matter, Mrs Charzat, and the criticism has been made that the warnings which we in the Community made in 1973 went unheeded. Then when the experts were telling us what was going wrong, we should have adopted the approach which you described.

If we consider the studies put before us, the question arises whether to take them seriously. When we call to mind the development following the second oil crisis in 1978, we find that we paid no heed to these analyses and warnings, including the warnings of the Commission and Council. We have found that in our own countries, despite the firm support of the social democrats and socialists of the House, people lacked the courage to decide on alternative forms of energy. In the meantime it looks as though we may one day be too late. Then those who got us into this mess will no longer be brought to account. The vulnerability of our supplies and exports makes it vital for us to take decisions. We should still be justified in hoping that if anything did go wrong America would shield us from trouble and danger, but we should not count on their support, when — as the Commission once pointed out to this House — the Americans in 1987 are no longer dependent on oil from the Near and Middle East.

An appeal to the Americans would come too late if America's vital interests were not at stake. If we also busily indulge in anti-American sentiment, the words of Mr Brandt, who this morning defended us against this charge of anti-American feeling, will no longer hold true. Anyway, what have social democrats and

socialists everywhere in all national parties or in the Socialist International done to reduce this feeling? But I personally feel it is wrong to imagine that America would be there to help if the worst came to the worst. We should try to reduce anti-American feeling and re-establish good relations between Europe and the countries across the Atlantic, i.e. America and Canada.

I hope, therefore, that Members will in future react more strongly to anti-Americanism. I hope too that this House will carefully reconsider the real implications of Mr Diligent's report. It summons us to do everything in our power to protect the shipping routes between Europe and the Near and Middle East and also between Europe and the third and fourth worlds. On this question it cannot be said that Germany cannot join in because this would be unconstitutional. But we could clarify the question of whether German ships in Nato waters can take part in exercises to make other ships available for the task which Mr Diligent referred to.

Mr Galluzzi, you say you are convinced that the Soviet Union does not intend to attack anyone with its fleet or even to obstruct shipping routes. Would you then please explain to the House why the Soviets have built up this fleet? Apart from cereals they hardly need to import anything, since they have everything else in their own country and can transport it from one end to the other by land and do not need a merchant fleet for that. Mr Diligent's report and the contribution by Mr d'Ormesson are a response to the danger confronting us in the world. If we are not prepared to discuss this, our children will suffer the consequences.

(Applause)

President. — I call Mr de Courcy Ling

Mr de Courcy Ling. — Mr President, first of all I would like to say on behalf of my honourable friend Mr Normanton that he deeply regrets that he is unable to speak himself on this report, particularly as in the old Parliament he was joint author with Mr Klepsch of a report on arms procurement in 1978. He has asked me to move formally on his behalf two amendments which he understands that Mr Diligent accepts.

It is a great honour and pleasure for me to be making this speech beside Mr d'Ormesson, because he and I were co-authors of the original motion from which this report has arisen in the summer of 1980. This was a gesture on behalf of an important political movement in France and on the part of the British Conservative Party to raise the European consciousness to the problems of security in relation to our raw materials, to which Mrs Charzat has alluded in an interesting way. I think that this is a very historic debate, and it really is disgraceful, Mr President, that the arrangements by the Bureau of the Parliament and by the chairmen of

Courcy Ling

the groups should have made it impossible for more Members to be here this afternoon. This is a situation which cannot continue, Mr President, and will you please accept my formal protest, on behalf of all of us who are here in the Chamber this afternoon, and see that this situation is remedied in the next part-session and henceforth?

This is an historic debate because it is the first time that we have debated security since the declaration made in London on 13 October by the foreign ministers meeting in political cooperation, that security was a matter for the European Community. Security is not the same thing as military arrangements, and I hope Mr de Lipkowski, who, having made his own speech, has now, I regret to say, left the Chamber, will reconsider with the philosophers who may be left in the Gaullist party — I don't know how many there are — whether it really is acceptable for him and his colleagues in the opposition in the *Assemblée Nationale* to go on thinking in terms of what amounts to armed neutrality. This is armed neutrality. We must think of the potential attacks at the jugular vein of the European Community — supplies of oil, supplies of raw materials from all over the Southern hemisphere. If our jugular vein is about to be attacked, is it sensible to say that we as Europeans are not competent to defend ourselves, to discuss the danger of that attack?

Now, I think we have a joint responsibility. This is not really a party issue in the European Parliament. The intellectual rigour on foreign affairs and defence questions which has become apparent among the left in France, among writers in France since the Soviet invasion of Afghanistan, has not been emulated by left-wing-movements — I am not including the French Communists — in the rest of Europe — in Germany, in Britain, in Belgium, in the Netherlands. They are offering a way of escape to young people which in reality does not exist. We on the centre-right are equally, in a different way, failing to explain the real issues.

I would like to quote from the *Guardian*, a British newspaper, not a right-wing newspaper, not a belligerent, bellicose, hawkish newspaper, which said in an editorial in September: 'It redounds greatly to the credit of the Soviet leaders that after invading Afghanistan, doing their utmost, so far unsuccessfully, to terrorise Poland and installing an entire new missile system directed against the cities of western Europe, they can still make themselves look like the peace camp'. This is a real intellectual challenge for us here, who have a duty to produce ideas and to explain our ideas about the burning current issues to the European electorate. The two burning current issues are, of course, unemployment and the danger of war. As regards the danger of war, surely the lesson we have learned from history is that peace and pacifism are incompatible. Peace and pacifism cannot live together.

I particularly welcome paragraph 2 of Mr Diligent's resolution, which refers to the planned build-up of naval forces by the Soviet Union. We have every evidence for this. Soviet admirals and Soviet leaders don't expect us not to take them seriously, but if we ignore what they have said about their own naval forces we are not taking them seriously. For example, Marshal Zakharov wrote some 12 years ago:

'The launching of powerful nuclear rocket strikes on military objectives at the enemy and the destruction of submarines and carrier strike forces at sea is a primary objective for the Soviet navy'.

The mission of the fleet includes in addition, Mr President, the struggle for sea communications for the purpose of destroying enemy oceanic and sea shipments.

Some four years later the September 1972 edition of a Communist journal on the armed forces said in its editorial: 'The invincible might of the Soviet army and navy has emerged today in 1972 as one of the most important factors in determining the role and influence of the Soviet State in the world arena. Our navy, the Soviet navy, carries out its noble international mission in a worthy manner.' Then in his most recent pronouncement upon the subject Admiral Gorshkov, speaking of the navy as a weapon of diplomacy, said:

In time of peace the economic and military might of a country can be demonstrated outside of its own frontiers. Therefore, the capacity of the navy to suddenly appear near the beaches of other countries and immediately commence the operations it has been ordered to conduct has long been regarded as an important weapon of diplomacy in time of peace. So in many cases it becomes possible to achieve political goals without starting a war but with a threat to start it.

These are the published words of the father of the modern Soviet navy. Let us learn from them.

Now if the Russian leaders expect us to take them seriously, they are nevertheless cynical about the effect that they have on the less well-informed sectors of the Third World, the newly emergent countries, the countries which, with the desperate problems of debt to which other speakers have referred, are very very vulnerable to economic pressures. Thus an even later editorial on military watch in the seas and oceans published in *The Communist* in Moscow cynically said: 'The visits of Soviet vessels to the ports of foreign states serve to raise the international authority of the Soviet Union. In recent years our navy and its sailors have visited many countries, including Egypt, Cuba, Morocco, Ethiopia, India, Guinea and Sweden'. And Sweden! Mr President, I understand that the term 'whisky on the rocks' has a particularly sad connotation in Swedish naval and diplomatic circles today.

I beg to support this motion for a resolution.

(Laughter)

President. — I call Mr Denis.

Mr Denis. — (*FR*) Mr President, when deciding on the agenda on Monday, my friend René Piquet asked for the Diligent report to be withdrawn.

We were heartened to see that a number of Members of different persuasions voted with us on this. I do not intend to go over again the reasons we gave for requesting the report's withdrawal. I should just like to talk about an element which has cropped up since and which cannot be left out of account. At a recent meeting of the Foreign Affairs Ministers, Mr Cheysson revealed the position of the French government with regard to the problems raised by political union. I should like to quote from the report by the French Press Agency: 'The defense of the Ten is not a point at issue; Ireland is not even a member of the Atlantic alliance. What is more, the WEU-Western European Union — has been created specifically for this purpose.'

That proves that the present debate is worthless. Whatever conclusions we come to here, there is no way that the Council will even consider them, since they are outside our competency as defined by the Treaties. Mr Diligent's real call is for the creation of a European military fleet. He cannot mean anything else when he says that the tasks of Member States' fleets should be coordinated.

When discussing political cooperation this morning, the question of détente arose. At last we can see that reverberations from the popular demonstrations sweeping across Europe have penetrated the thick walls of this House. The hope has been expressed that the Ten will take the first steps towards political cooperation to limit the arms race and to promote understanding and cooperation between peoples. Instead of which, here we find ourselves reading and listening to a gospel preaching the cold war, an extension of a text abandoned by Mr d'Ormesson. Using as a pretext the need to safeguard shipping routes, Mr Diligent is trying to whip us up into a frenzy, which goes completely against the spirit of dialogue which is needed and against the will of peoples to seek political and negotiated solutions to the problem at stake.

What is more, to back up his proposals, Mr Diligent has crammed his report with facts, but they end up working against him. I need only quote one. In his pamphlet, Mr Diligent gives a list of the so-called strategic raw materials, a substantial part of which come from the Soviet Union, but he does not seem to see the irony of the situation. Can you imagine us sending a fleet of warships to help European cargo boats which have been loaded with Russian minerals and which are still in Russian ports? One can only suppose that Mr Diligent would want to do this in order to safeguard the pipes which are scheduled to be laid in accordance with an important contract which has just

been concluded — despite pressure from outside — for the supply of Soviet oil and natural gas to our countries who need them so much.

Let us be serious. The Diligent report is one which preaches a well-known strategy, one which seeks to have our sea fleets patrolling in the Indian Ocean and in the Gulf, a move which would provoke the open hostility of the majority of countries in those areas.

We cannot on the one hand offer cooperation and our aid in the fight against hunger to the ACP States, many of which are located in this area, even though this is what we have done in the Consultative Assembly, and at the same time have the cheek to incorporate them — they and their surrounding waters — into NATO. Such action on our part would be deemed aggressive and would be a severe obstacle to our cooperation. Mr Diligent fancies himself as a backroom general, I should say, from reading the three pathetic scenarios of all-out war which he has dreamed up. Although we might wish to dismiss them as ludicrous, we ought really to recognize that in the present context such visions could be a serious threat to peace.

My conclusion therefore is that this debate is not worthy of our Assembly, as it flies in the face of what ought to be our constructive role to promote understanding and cooperation between all countries, both in Europe and the world as a whole. That is why we hope that a majority of Members will, like us, reject Mr Diligent's motion for a resolution.

President. — I call Mr Capanna.

Mr Capanna. — (*IT*) Mr President, Mr Diligent and a sizable number of other Members of this Parliament seem to be unaware that the number of American and Soviet warships already prowling around the Mediterranean and the Indian Ocean is already carelessly high. If the countries of Europe were to add further ships to this total, it would increase further the already grave risk of international crisis and world war. It cannot be denied that Europe is vulnerable from the point of view of energy supplies, particularly oil supplies, but that is the result of its short-sighted policy which is inextricably linked with that practised by one of the superpowers, the United States.

That is why Europe often places itself in opposition to the Arab World, particularly to the oil-producing Gulf States. But securing Europe's energy supplies does not depend on warships escorting tankers; it depends on the rôle which Europe can and must play in being an active force for peace internationally, which it can only do if it frees itself from the equally dangerous clutches of each of the superpowers.

Capanna

If it is to guarantee its energy supplies, Europe must adopt an open and intelligent approach towards the whole Arab World, but it will only be able to do so if it is internationally independent. There is no escaping the fact that the problem is not a military or naval one but is a political one and, believe me Mr Diligent, your desire to ape von Clausewitz in the Gulf area is a highly risky business.

To sum up, if the Ten were to give diplomatic recognition to the PLO as the sole legitimate representative of the Palestinians, this would bring them far greater guarantees — including where oil is concerned — than any number of gunboats or aircraft carriers. Europe has made one mistake after another in its dealings with the Arab World. Now that Sadat has been assassinated, the significance of the Camp David Agreements is fading and for this reason it would not be a wise move to send a European military contingent to the Sinai. Right now there is only one way that the European Parliament can make clear its own attitude and that is by rejecting Mr Diligent's motion for a resolution.

President. — I call Mr Gondikas.

Mr Gondikas. — (*FR*) When one is aware of the importance for the Community that its supplies of raw materials will be guaranteed and, above all that the Community's survival is needed to act as a stabilizing force in the troubled times in which we live, then it is difficult to go against what Mr Diligent is basically saying in his report.

The only point I wanted to emphasize is that we must not use force to protect routes or cargoes in such a way that we could be seen as threatening third countries or Third World countries or as seeking to impose the Community's will on the rest of the world.

I believe, nevertheless, that one of our duties to the citizens who elected us to this Parliament is to concern ourselves with the security of our supplies. That is why I will, without reservation, be voting for the motion for a resolution that has been presented to us.

As the whole subject is inescapably political, I should like to draw your attention to Amendment No 3 tabled by Mr Normanton and ask the Council to reflect on the solution it proposes.

President. — I call Mr Penders.

Mr Penders. — (*NL*) Mr President, we have finally got round to discussing Mr Diligent's report. There have been many obstructions in its way, and it has been struck off the agenda many times. People have even asked me, because of all these difficulties, who is

Mr Diligent? Is he the rapporteur dealing with the amendment to the Rules of Procedure? The significance of this debate lies not so much in the text of the resolution as in the fact that the Community and Parliament are now taking another step towards their political maturity.

What do I want from this debate, and what do I not want? I do not want to go back to the days when we used to talk about a European defence community in the 1950s. Those days are over. And I want nothing to do with the fashionable pursuit of creating a European security platform merely to be able to distance ourselves from the United States, a country of vital importance to the security of the Community. I do want to establish a link between the ideas of Mr Genscher and Mr Colombo concerning security, to be discussed by Parliament tomorrow. I want to speak within the framework of European political cooperation, especially the decision of the ministers of the Ten henceforth to include the political aspects of security problems in their discussions. For this reason I am also sympathetic with Mr Normanton's second amendment. This debate on security within the context of European political cooperation is the proper framework for this report.

However, I would like particularly to pursue a logical line of reasoning which is extremely simple. Our Community cannot do without security. We have always seen the danger in the East, in central Europe, and perhaps we have exaggerated the direct threat in the past few years. But there is another threat which is perhaps more serious than the traditional one from the East. One of the mainstays of the EEC is industry. This needs raw materials and energy. Both must be imported in large quantities, a fact which is undisputed, and also by sea, which is also undisputed. The shipping routes are vulnerable and need protection. To me, this proves beyond question that the Community needs to concern itself with these matters.

Therein lies the importance of this report. We must not shirk our responsibilities. That is why I feel it is such a pity that the socialists, among others, have been so bitterly opposed to Mr Diligent's report both in Committee and today.

I want to approach this subject calmly and responsibly. How could we organize protection of our shipping rights? We must do this — and here I am quite emphatic — without any ostentatious muscle flexing. We must first and foremost ensure that world trade can continue undisturbed on the basis of sound diplomacy. This is important from the point of view both of international law and of institutions like the United Nations.

It is in our own interest and especially, let us not forget, in the interest of the developing and oil exporting countries. The safety of our shipping routes is as important for our trade partners as for Europe. In

Penders

addition to diplomacy, we should also make use of contingency planning and crisis management. It is irresponsible to assume that diplomacy and international conferences can always provide adequate security. We must do more, and that is where contingency planning and crisis management come in.

I want to make it perfectly clear, moreover, that we should involve as many countries as possible, including non-Community countries. It should not be an exclusively western club. Why not include countries like Japan, Nigeria, India or Brazil, countries which are either suppliers of raw materials and energy or major consumers? Take Brazil and India, for instance. In any case I would like to cooperate with the United States on this matter.

I must say that I find the three scenarios in the explanatory statement to the report rather tainted with Gaullist thinking. We should never consider extending the sphere of application of the NATO Treaty. Let us be honest, that would be unacceptable. It is not necessary, and may not even be desirable. We need a flexible approach, and strict geographical divisions are possibly rather outdated and inappropriate.

Other ideas are held concerning the protection of shipping routes, and I would like to comment on these on passing. A report published last February by four directors of institutes in the field of international politics in America, Great Britain, France and Germany argues that ad hoc groups should be set up by the 'principal nations' to examine potential centres of crisis. This seems a practical idea, but it brings us one step nearer to dominance by the larger countries. Forgive me, Mr President, but as a representative of a small country I suffer somewhat from the Guadeloupe syndrome named after the island where Carter, Callaghan, Schmidt and Giscard d'Estaing held talks and took decisions which affect us all — including the small countries. That is why I think it is so important that the Diligent report should be supported by all Community countries, both large and small. In the case of the small countries, we should not be thinking so much in terms of active participation with marine patrols as of the support which can be given by providing air patrol bases. I am in favour of a relaxed and sensible approach. The coordination of patrols is not an inflammatory measure and can hardly be branded as neo-imperialist or neo-colonialist. This plan for the coordination of patrols makes no provision for land bases in Oman, Kenya or Somalia, in which there would be a very clear, perhaps excessively clear military presence and which would cause new unrest and might spark off trouble. We are in favour of a sensible and cautious approach. This must be the hallmark of our policy in the difficult field of European security.

President. — I call Mr Schall.

Mr Schall. — *(DE)* Mr President, ladies and gentlemen, as we have seen, opinions in this House differ on the report before us. Those who want the Community to develop into a European Union must see the safety of the free peoples of Europe as an urgent task for all members of this House, and peace is the primary objective of all our political strivings. You are not the only one who wants peace, Mrs Hammerich, far from it!

For Europe, peace with freedom can only be secured by joint effort, and the report rightly underlines this point. In the present world situation there are undeniable and positive threats to the free development and independence of Europe. Who would deny, for example, that the Soviet Union wishes to extend its power and influence in important parts of the world? One would have to be politically blind or deliberately unreasonable not to see the gigantic claw which is reaching from the Middle East along the Mediterranean and across North Africa, through East Africa and across South Africa and threatens to engulf Europe. I am not saying that it is engulfing Europe, but that it threatens to do so.

Is the massive arms built-up in Syria, South Yemen or Ethiopia or the support for the Polisario or Swapo in Angola by the Soviet Union designed to serve its own security interests and to protect its own frontiers which are no longer threatened, to give just a few examples? Afghanistan should serve as a warning to us!

The dependence of the highly industrialized European Community on the major raw materials and energy sources is also undisputed and is thankfully underlined in the report together with Europe's dependence on the freedom of the seas and shipping routes. The report refers to the dangers to which the latter are exposed because of the political changes of the past 10 years and urges that they should be protected in the interests of the safety of the European Community.

In the long term it would be unreasonable to expect the US to provide a political and military guarantee to halt the widening influence of the Soviet Union in the Middle East and in Africa, and this would not serve the interests of an independent Europe. Those who borrow money must pay it back with interest. Countries which get other nations to defend their vital interests must sooner or later pay with the loss of their sovereign rights and independence. This is a sad but immutable process and a historical law.

We all know that for over 20 years Nato has provided political and military protection for Western Europe from Norway to Turkey against a certain power and against economic threats. Because of the enormity of the Community Nato alone offers no security against the political constraints or blackmail which could arise from this situation, and Europe could face grave danger and the production of high quality goods

Schall

would have to be halted, with all the consequences that this would have on our social structure.

Mr Hänsch, you said that we should not protect ourselves *against* other powers but alongside them. Yes, but which powers? Alongside Mr Brezhnev, perhaps? The same Brezhnev who declared in February 1977 in Prague that by 1985 the Soviet Union would have achieved most of its aims in Western Europe and the balance of power would be changed so decisively that the Soviet Union would be able to enforce its will whenever it saw fit? Should we come to an arrangement with this man and the power behind him? It takes two to make an agreement. Are those members who believe that the Soviet Union poses no threat to free Europe still not satisfied?

Europe must now take security measures, in cooperation with the United States, to provide a timely response to the threat to its free and independent existence in areas which include those to the south of the North Atlantic Alliance.

President. — I call Mr Efremidis.

Mr Efremidis. — (GR) Mr President, I shall not allow myself to be carried away by certain examples of irresponsible scaremongering which we have heard in this House, but shall come straight to the point.

The motion for a resolution by Mr d'Ormesson and the report by Mr Diligent are actually asking us to endorse with our vote — albeit a consultative vote — NATO military action beyond the boundaries laid down in the treaty which founded it. To this end they are invoking the need to protect sea transport and the unhindered supply of energy and other strategic raw materials from the Middle East, Egypt and other regions. The texts before us maintain that the threats and dangers come from the increased presence of the Soviet navy and merchant fleet and from the destabilizing activities being carried on in these regions. We believe that these are unfounded and misleading excuses, since the presence of the Soviet fleet is far more recent and much smaller than that of other fleets, its mission is always defensive and there are numerous Soviet proposals for the mutual withdrawal of the fleets from the crisis regions. And the Soviet merchant fleet does not hamper but rather assists transport and thus communications. What is more, the destabilizing activities by aggressive circles of the USA and NATO cannot be covered up by saying that the liberation movements and the peoples' independence movements are terrorist movements fostered by the Soviet Union.

As regards the supply of raw material, the Diligent report itself admits that the largest supplier of five of the six biggest EEC Member States is the Soviet Union. So if we are seeking unhindered sea communi-

cations and the trouble-free supply of raw materials, we should adopt a policy of respect for the independence and sovereignty of the peoples which provide these raw materials and of cooperation with them on a basis of equality and to our mutual advantage, and not a policy of military supervision and domination for the purpose of unbridled exploitation. The d'Ormesson motion and the Diligent report are inspired by this very policy, and for this reason we are radically opposed to them, and as representatives of the Greek Communist Party we shall vote against them for the further reason that the barbs of the policy being advocated are turned against countries with which Greece has beneficial economic, commercial and political relations. We should like to add for the benefit of everyone in the House that if the resolution and the report are adopted, it will mean a return to gunboat politics and to the politics of Nazi Germany's *Lebensraum* and imperialist colonialism. It will increase military confrontation, the arms race and the risks of Europe being transformed into a theatre of nuclear war and destruction. Ladies and gentlemen, let us turn our attention to the tragedy of the ten million unemployed and to the impasse caused by the galloping inflation and price rises in our countries. We who are striving for the withdrawal of our country from the EEC consider that the present Greek Government will, at the intergovernmental level of the EEC, oppose the policy of the resolution and the report before us. And we expect the Greek Member of the Commission, Mr Contogeorgis, to adopt a similar position on this matter. As for Mr Bournias, I should like to remind him that exactly one month ago the policy he supported before us was defeated by the overwhelming majority of the Greek people in the elections on 18 October.

President. — I call Mr Gendebien.

Mr Gendebien. — (FR) Mr President, ladies and gentlemen, we have almost been treated to the sound of marching feet in the course of this debate. I feel bound to say that I deplore the impetuous — when not to say aggressive — nature of some of the speeches we have heard, even though the problem raised by Mr Diligent is a real one which merited our attention.

For my part, I would have preferred more politics and less militarism. In my opinion, it is not in the interests of producing countries and Arab countries in particular to cut off our supplies and to enter into conflict with us.

On its side, is it in Europe's interests to get bogged down in some desert war of the future? Would it not be better to create as from today political conditions which would eliminate any situation of conflict in this area?

Gendebien

Without kowtowing to others or being ready to accept anything, we ought to be developing a European strategy, in the following three main directions.

Firstly, we need to make clear our European political identity in our relations with the rest of the world, including our allies, although this does not mean that we should break from them. We should always and everywhere be seeking to dialogue with the rest of the world in a spirit of mutual respect.

Secondly, our attitude needs to be one which rejects neutrality and passivity. In other words, we must act, and our first task is to sort out the problem of the Palestinians and Israel. I should like to know what Europe's position is to be with regard to the Saudi Arabian peace plan. Is it possible to see a glimmer of hope — it's only a question — in the fact that the Fahd plan does at least implicitly concede Israel's right to exist and therefore goes some way towards reducing tension in the Middle East? This would eliminate some of the risks of war in this region and threats to the security of our supplies at a stroke.

Thirdly and lastly, we must do all we can to promote civil peace and stabilization in the Arab States and we must do this by cooperating in development and in social reforms.

This is the best chance we have, ladies and gentlemen, of avoiding war and destabilization in this area, and of counteracting the Soviet influence.

Before we embark on a repeat of an episode like that of Suez in 1956 — and I am rather surprised that no one has referred to this painful memory — we ought to pursue and successfully implement the threefold strategy I have outlined.

President. — I call the rapporteur.

Mr Diligent, rapporteur. — (*FR*) I do not have a great deal more to say, Mr President, ladies and gentlemen, but I should just like to correct some of the points which have been made, as I feel a number of them to be inaccurate.

Where the question of competency is concerned, I only have one thing to say: I am rather surprised that the representatives of parties who have tabled motions for resolution on Pershings, and others who have tabled motions for resolution on the neutron bomb, are now claiming that our Assembly does not have the right to discuss a simple question of coordination.

(*Applause from various quarters*)

My overall impression has been that we are all talking at cross purposes and that everyone had made their minds up about what they were going to say before I

even gave my speech. I regret this fact, but I suppose it is more or less inevitable. I have not heard many replies here to what I did say but I will let that pass. I should just like to share with you the remarks made to me the other day by a well-known Russian dissident — I have the honour of knowing several who have been able to come to France, thanks to the solidarity and help of various movements — when he reminded me of something said by Solzhenitsyn: 'In my country, one is not allowed to say anything. Here, you can say what you like, but it is no use.' Nevertheless, I do not despair and neither will my friends. We shall carry on talking in the hope that it will serve some purpose, even though it doesn't look like it. There were times during this debate when I almost asked one of the ushers to bring me a mirror because I no longer recognized myself from some speakers' descriptions: could this European bully, this sabre rattler, this sorcerer's apprentice and this crusader in a holy war really be me?

I have always been active in movements which are truly pacifist and my intention was to approach this debate entirely without polemics. I had even withdrawn a number of arguments so as not to alarm people. I will just give you one example. In order to avoid the usual hobbyhorses and internal wrangling, I decided, at the last minute, not to quote Mr Pierre Mauroy's speech before the French Institute for Advanced Studies on National Defence last August, when, in his capacity as Prime Minister, he went much further than I have done, saying that if our supplies were cut off, it might make Europeans consider the prospect of forming a political union which would have its own independent defence structure. My suggestions did not go nearly so far as this and I really do wonder what sort of reception the socialist Prime Minister of the French Government would have had if he had been present at this debate and if he had dared come out with even half the remarks he has made before other meetings . . .

Finally, I have only one thing to say to those who accuse me of being a warmonger — I can only assume that they do not know me — and that is this: as a very young man, when I first began to take an interest in great issues, I was often surrounded by convinced idealists and noble souls who believed wholeheartedly in pacifism and non-violence and I saw a great many of them before the last war campaigning for unilateral disarmament, around 1937-1938. I came across some of them again during the Occupation. By that time they were leading members of the Resistance, some even met heroic deaths, but all were wretched at the thought that they could have been so wrong. They are always at the back of my mind, and my memory of them prompts me to act as I do.

I do not care what you say against me, but I will not allow you to malign the tradition to which I belong, stretching from Marc Sangnier to Robert Schuman, who said: 'We did not build Europe, and so we had a

Diligent

war'. Ladies and gentlemen, we *will* build Europe and we will *not* have a war.

(Applause)

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

9. Pollution of the Rhine

President. — The next item is the report (Doc. 1-686/81), drawn up by Mr Johnson on behalf of the Committee on the Environment, Public Health and Consumer Protection, on pollution of the Rhine by discharges of salt.

I call the rapporteur.

Mr Johnson, rapporteur. — Mr President, this debate, almost fortuitously, occurs on a very good occasion: we decided on Monday that we would take this debate; yesterday, Ministers of the five riparian states of the Rhine were meeting in Paris, and today the European Parliament itself is returning to the question of pollution of the Rhine. So we are, if you like, right up to the minute in our debate today.

This is a long-standing question and a very difficult one. If I am the rapporteur and if I have any virtue in being the rapporteur on this issue, it is perhaps for the fact that I am from a country which is not directly touched by pollution of the Rhine. Britain is not a riparian state, and I do believe that it is possible to try and steer a course between the very different conflicting interests.

The report you have before you attempts to recognize the facts. It attempts to recognize the fact that the pollution of the Rhine arises from many sources. One cannot avoid being technical, so I may say that 168 kilogrammes of salt per second came from France, of which approximately 130 kilogrammes per second come from the Alsatian potash industry; some 155 kilogrammes per second originates in Germany and around 10 kilogrammes per second in Switzerland, and this has to be added to the natural salt-load of the Rhine, which depending on the flow, varies between 15 and 75 kilogrammes per second.

The effect of this salt-load on the Rhine is very well-known. It is an effect which is found above all in the downstream countries — in the lower reaches of Germany and in the Netherlands, where not only drinking-water has to be provided from the Rhine and from underground strata affected by the Rhine but also industrial water, including water for the highly efficient Dutch hothouse industry — as you know very well from other debates in this House.

There has been a long-standing effort to diminish this form of pollution. In 1976, Member States of the Community and Switzerland — five of them altogether — jointed in the Convention on the Protection of the Rhine against Pollution by Chlorides, the so-called Salt Treaty (and I do beg you, when I use the words 'Salt Treaty', not to confuse this with another SALT Treaty). Now that Convention, as you know, was not ratified, for one reason or another, by France. Consequently, it has not been possible to put into effect over these last few years the central provisions of the first stage of that treaty — that is to say, to achieve a reduction of 20 kilogrammes per second in the salt-load over a period of years by injecting the waste salt into the subsoil of Alsace. This is something the Parliament has considered: the Committee on the Environment, Public Health and Consumer Protection has considered it and it is reflected in the report. Various possibilities have been discussed over the years: other technical possibilities beyond injection, such as transporting the salt by barge to the North Sea; such as discharging it through pipelines, such as building an international saline or salt factory; such as slowing down the rate of production of the Alsace potash mines or even seeking to reduce the discharges of salt in Germany itself. All these solutions were advanced, and discussed over many years by the ministers. Parliament had to take note of that fact also as it reached its conclusions, and that is something which is before us.

Yesterday in Paris, as we all know by now because we all read the newspapers, a very important step was taken by the ministers. They agreed — and others will perhaps speak on this later — that the 20 kilogramme per second reduction which was envisaged in the 1976 Salt Treaty should still be aimed at. France in particular agreed that it would construct a salt factory to achieve a total reduction of some 6 kilogrammes per second and that through injection in a site still to be selected a reduction of some 14 kilogrammes per second would be achieved.

So this a fact we must recognize today. I want to make it clear to the House that we have not been idle. In an amendment which will be before the House when it considers this matter, we have tried to take account of the new situation which developed last night. There will be a global amendment put down in my name which will seek to update the resolution. I believe it is now available in all languages. It seeks to update the resolution and to give it a degree of relevance which it would not have had if we had adopted it in its original form.

I want to say, Mr President, that we do not believe in our committee that the matter is ended with this first step. There is a longer-term solution to be found. The original Treaty of 1976 spoke of achieving a 60-kilogramme per second reduction. That is important, and I am sure that steps need still to be taken to achieve it.

Johnson

We are calling on France in our resolution and I make no bones about this, to ratify the Salt Treaty.

This is a fact; it is an important fact; it is something which has not happened in the past and it is something that we now believe, particularly in the light of developments in Paris yesterday, can happen now.

Above and beyond that, we do believe that the riparian States must make every effort now to look at possible amendments to the Treaty so that they cease thinking about this first stage reduction, which has taken so long to even get off the ground — or into the ground, I suppose —

(Laughter)

and think more about the 60 kilogramme goal which is what they have to achieve in the end.

We believe that there is a real role here for the European Community as such. The European Community, as everybody knows in this House, has been participating for the last two years in the deliberations of the Conference of Rhine Ministers. It has been participating in the technical groups. Its participation has been valuable, as we recognize it in the resolution. The European Community is already a contracting party to the Chemical Pollution Convention and the Ministers yesterday in their communiqué had a word to say about that.

We believe it should now be party to the Salt Convention and I go further than this, Madam President, and say that the European Community as such may have to consider the role it can play in the search for a wider and longer-term solution.

I conclude by saying that, speaking as an Englishman, I recognize that the Rhine is my problem. It is my problem, as an Englishman, because Britain is part of the Community. We are affected by what happens in Europe. We can no more ignore the problems of the Rhine than we can ignore the problems of Venice and remain good Europeans. So I ask the House, when it has a chance to deal with this, to support the resolution, to support the call for ratification of the treaty by France, for the participation of the Community in the Salt Convention and for steps to be taken for a long-term resolution of this particular issue.

IN THE CHAIR : MRS VEIL

President

President. — Since Question Time is now due, we shall suspend this debate and resume it tomorrow after the Lega report.

10. Question Time

President. — The next item is the second part of Question Time (Doc. 1-720/81).

We begin with the question to the Council.

I call question No 59 by Mr de Ferranti (H-9308/81):

Will the Council confirm that no Member Government may prevent imports of motor cars purchased by citizens in other Member States at substantial savings because higher retail prices happen to prevail in its own domestic market?

Lord Trefgarne, President-in-Office of the Council —. Stability between exchange rates within the Community can only help the growth of trade and consequently the closer economic integration of the Member States.

The European Monetary System has proved helpful to the realization of this objective by enabling greater exchange rate stability to be achieved. However, this is not sufficient to overcome the obstacles to the growth of trade caused by other factors.

Mr de Ferranti. — I would ask the Minister, please, to take note of the fact that we were informed by Commissioner Narjes yesterday that the total cost of delays at frontiers amounted to 5 billion ECU each year and that, if you make enquiries at the frontiers, you will find that it is the payment of MCAs which is the biggest single reason for delays. Therefore, unless we have adherence to the EMS by all countries and reduce the variations in the exchange rates, we will not be able to get rid of the MCAs, we will not be able to reduce the delays at the frontiers and we will not save 5 billion ECU. Would the Minister be prepared to make that clear to the Council?

Lord Trefgarne. — The honourable Member is right to point to the delays at the frontiers, for example, and these are matters which concern the Council as well as him. We are doing what we can to overcome them. They are only one, however, of a number of technical barriers to trade and we certainly hope that in the fullness of time we will be able to eliminate most if not all of them.

Sir Fred Warner. — May I please ask the Council what information it has received from the British Government as to that government's intention with regard to taking part in the full-exchange mechanism of the EMS and what indications they have received about the British Government's rethinking of this matter?

Lord Trefgarne. — The British Government has not directly communicated with the Council on this matter, but if I can speak for the British Government for a moment, we have said — as is known I think — that we do intend to join the exchange rate mechanism, but it will be necessary for us to wait until conditions are right both for the system itself and for the United Kingdom.

Mr De Goede. — (NL) Does the British Presidency share my view that it is primarily for the British Conservative Member, i.e. Mr de Ferranti, to ask the British Government to join the EMS as soon as possible, since all the Member States with the exception of Britain and Greece take part in this system?

Lord Trefgarne. — I am answering for the Council here this afternoon and it is not for the Council to dictate to the British Government when they should join the exchange rate. As for addressing questions to the honourable Member, that is not for me either.

President. — Since its author is absent, Question No 60 will receive a written reply.¹

Question No 61, by Mrs Ewing.

Will the President-in-Office state what progress has been made in fishery negotiations with Spain in connection with their accession to the EEC?

Lord Trefgarne, President-in-Office of the Council. — Madam President, fisheries will doubtless constitute one of the difficult chapters in the accession negotiations with Spain, given its sensitive nature from the Community point of view and the extent of Spanish fisheries. The Spanish delegation has already made a statement on fisheries in the context of the accession conference in July 1980. For its part, the Community delegation has not yet made a statement owing to the discussions in progress on the common fisheries policy. However, the Community delegation announced to the Spanish delegation in July 1981 that in the coming months the Community intended to adopt the necessary measures in connection with the common fisheries policy. The Council made progress in this direction at its meeting on 29 September 1981, and the Presidency will do its best to ensure that an early solution is found to the problems still outstanding. The Community will therefore have to examine how it can contribute to the framework of the accession negotiations towards progress in the negotiations on this particular chapter.

¹ See Annex.

Mrs Ewing. — Is the Council aware of the nervousness of certain sectors of the fishing industry as they face the entry of a fleet that is 2½ times the size of the United Kingdom's fleet, and to deal with that reasonably will the Council in its forthcoming difficult talks consider that the problem would largely be solved if, in the licensing scheme that is under active discussion in the Council, it is quite clear that no licences will be granted to Spanish boats unless they can establish the customary historical rights — that is to say, a proven established practice of fishing in an area of the Community? If the answer could be fairly firm now, I think it would perhaps help the whole spirit of the forthcoming negotiations.

(Applause from certain quarters of the Group of European Progressive Democrats)

Lord Trefgarne. — Madam President, certainly the Council acknowledges that the problem to which the honourable Member has pointed is a difficult one and that is one of the reasons why progress has been so scarce so far, but the negotiating body will certainly have to take every account of the points raised by the honourable Member.

(Laughter)

President. — Since its author is absent, Question No 62 will receive a written reply.¹

Question No 63 has been withdrawn.

Since its author is absent, Question No 64 will receive a written reply.¹

I call Question No 65, by Mrs Scrivener (H-461/81):

In mid-September, the Ten's Foreign Ministers began initial discussions on reforming the Community. The French Minister stated that giving the construction of Europe a fresh impetus should have priority over all other considerations, notably budgetary and agricultural matters.

Can the Council therefore say what savings would be made in the budget as a result of the changes to the Community envisaged by France? Would the savings be sufficient to finance a Community's revival without exceeding the present level of Community budget revenue?

Lord Trefgarne, President-in-Office of the Council. — The French Government's memorandum on giving a fresh impetus to the Community is one of the elements which have been presented to the Members of the

¹ See Annex.

Lord Trefgarne

Council in their discussion on the mandate of 30 May 1980. The Council is not in a position to assess what savings would be made if the measures suggested in that memorandum were applied.

Mrs Scrivener. — (FR) I regret to say that, to be quite frank, the Council is being somewhat dismissive in this reply. Could it at least say whether it is in favour, at least in principle, of modifying the financial regulation in such a way as to enable any sums which might be available in the budget to be utilized in a wholly institutional fashion to initiate new policies?

Lord Trefgarne. — The honourable Member is jumping ahead of the negotiations somewhat. The mandate negotiations are not yet complete. I think there are further meetings in prospect very shortly, and I hope that the honourable Member will therefore be willing to await the outcome of those negotiations.

President. — Since their authors are absent, Questions Nos 66, 67, 68 and 69 will receive written replies.¹

I call Question No 70, by Mrs Lenz (H-492/81):

Is the Council aware that, at certain frontiers in the Community, the European Community *laissez-passer* issued by the President of the European Parliament is not recognized as a valid frontier document? What action does the Council intend to take in order to ensure general recognition of the rights of the institutions of the European Community?

Lord Trefgarne, President-in-Office of the Council. — In a letter dated 9 October 1981 the President of the European Parliament drew the Council's attention to the problem of recognition of the Community *laissez-passer* at frontier crossings. The President-in-Office of the Council has brought this letter to the attention of each of the governments of the Member States so that, if necessary, they can give the requisite instructions for full observance of the rights attached to the holding of the *laissez-passer* provided for in Article 7 of the Protocol on Privileges and Immunities of the European Communities.

Mrs Lenz. — (DE) The President of the Council has just said that, if necessary, the requisite instructions can be given. Might I point out that it is patently obvious that this is necessary as the *laissez-passer* is so often not recognized, and this is only one of the many cases where it repeatedly becomes apparent that the border officials are not prepared to take the trouble of finding out that it is a valid document. We should

therefore be grateful to the Council if he would urge the Member Governments actually to issue these instructions.

Lord Trefgarne. — I understand that the action that I referred to in the principal answer was taken only recently and I very much hope, therefore, that the difficulties to which the honourable Member has referred will not recur.

President. — Since their authors are absent, Questions Nos 71, 72, 73 and 74 will receive written replies.¹

I call Question No 75 by Mr de la Malène (H-511/81):

Now that the French Government has suddenly adopted rigorous measures affecting prices and public spending, whereas it had proposed an expansionist budget 10 days earlier, can the Council state whether its own recommendations are the cause of this abrupt U-turn by the French authorities.

Lord Trefgarne, President-in-Office of the Council. — No economic policy recommendations were made to the governments of the Member States when currencies were realigned within the European Monetary System on 4 October 1981.

Mr de la Malène. — (FR) Madam President, I find the comprehensive answer just given by the Council very interesting and, for the rest, the comprehensive, serious and thorough nature of the Council's replies is reflected in the interest shown in them by the Assembly.

(Laughter and applause)

However, to return to the matter in hand, I should like to ask the Council whether or not it attaches any importance to the problem of the alignment of the economies and economic policies?

Lord Trefgarne. — I understand that Parliament debated the annual economic report only yesterday — and of course that report includes a reference to France — and will be voting on it tomorrow. I think that might be a more appropriate forum for the honourable gentleman's observations.

(Interruptions)

President. — I call Mr Fanton for a procedural motion.

¹ See Annex.

¹ See Annex.

Mr Fanton. — (*FR*) Madam President, I must say that for some time now the Council has been specializing in non-answers. In fact, the representative of the Council has not even the time to say anything since he sits down virtually before he has started speaking. He told us today that there was a debate yesterday and that there would be a vote tomorrow but what, under these conditions, is the point in putting questions if the Council does not answer them?

The problem of the alignment of policies is an important problem and if the Council has no opinion on that subject it would appear that it does not have an opinion on anything. It is a quarter of an hour since we started dealing with these questions and in that time three quarters of the Members have left because the Council never gives an answer. This means that there will soon be no more questions to be put, which of course will relieve the Council of the need to reply.

(*Applause from various quarters*)

Lord Trefgarne. — I am sorry that the honourable gentleman feels the way he does, but there are two aspects of this matter which I would wish to underline. Firstly, in principle, this is an internal matter for the French Government. But in so far as it does affect the European Community, as I said earlier, the matter was debated yesterday by this Parliament in connection with the annual economic report and Parliament will be voting on the matter tomorrow.

Mr Welsh. — Would the President-in-Office agree that it is not the duty of the Council, in answering questions of this sort during Question Time, to get dragged into the internal politics of France or any other Member State?

Lord Trefgarne. — Yes.

Mr de la Malène. — (*FR*) I am sorry to have to repeat, for the benefit of Mr Welsh who has come to the aid of his Council President, that this is not a question of internal French politics, but a question which affects the Community and which is therefore a matter for the Council. I am not asking the Council what Parliament thinks, it is up to Parliament to decide this. What I am asking the Council is whether it is interested in the alignment of the economic policies of the Member States. This is what my question is about — it is not a matter of internal politics nor a matter concerning Parliament.

Lord Trefgarne. — It may help the honourable gentleman if I add to what I said previously, namely, that the Council of Finance Ministers agreed, in its quarterly review of the economic situation in the

Community, that in general all Member States must aim at balance in the use of monetary and budgetary policies.

President. — I call Question No 76, by Mr Deleau (H-513/81):

Does the Council consider that there is at present healthy competition between the financial and stock markets of the ten Member States of the Community; are not the rules applied by some financial markets actually at variance with, or in contravention of, the Treaty?

Lord Trefgarne, President-in-Office of the Council. — It is for the Commission to ensure that the Treaty is applied and if necessary to take appropriate measures to promote the harmonious development of economic activities throughout the Community.

Mr Deleau. — (*FR*) If I have understood correctly, the Council has no opinion on this matter, as in the case of many other matters.

Lord Trefgarne. — The Council considers that the existence of healthy competition between the money markets and the stock markets in the Member States of the Communities constitutes one of the fundamental factors enabling undertakings to have access to the funds necessary for their financing under conditions of equality. With a view to promoting a greater degree of interpenetration of national markets in the context of the establishment of a European capital market, the Council, with particular reference to the requirements of the stock markets in Member States, issued a directive on 5 March 1979 coordinating the conditions for the admission of securities to official stock exchange listing.

President. — I call Question No 77, by Mr Remilly (H-515/81):

Is the Council keeping abreast of the negotiations which are currently underway between certain Member States, particularly France, Italy and the United Kingdom, and the Algerian authorities on shipments of natural gas? Were these negotiations preceded by Community procedure for an exchange of views and information on the terms of supply?

Lord Trefgarne, President-in-Office of the Council. — This problem has not been discussed within the Council in the terms employed in the honourable Member's question. At its meeting on 22 October 1981 the Council acknowledged the value of exchanges of views and information, notably as regards the Community's growing dependence on gas supplies from third countries and invited the Commission to hold appropriate informal exchanges of views with the Member States.

Mr Seligman. — Is the Council aware that the negotiations on gas prices with the Russians and other non-Member States indicate that there is going to be a massive rise in gas prices which is going to greatly upset the gas pricing arrangements in the Community? This is something which we should really be very careful about and watch very carefully, otherwise our industry is going to be damaged.

Lord Trefgarne. — I am not certain that it is for the Council to intervene in negotiations between suppliers and consumers in this matter. But it is essential, I think, that prices paid to producers are realistic. Amongst other things that means that the prices must take account of the fact that transporting gas to the consumer is far more costly than transporting oil.

President. — I call Question No 78, by Mr Junot (H-516/81):

In view of the development of direct and indirect taxation in each of the Member States, is it possible for the Council to conclude that there has been any progress on fiscal harmonization at European level?

Lord Trefgarne, President-in-Office of the Council. — The Council has not expressed an opinion on the question of whether in general the tax laws adopted nationally indicate a convergence of the fiscal policies of the Member States.

Mr Junot. — (*FR*) I see that the Council has once more given a non-answer. I realize that it is fashionable at the moment to disregard the Treaty of Rome because it is felt to be out of date, but I should nevertheless like to remind you that the harmonization of legislation, in particular the harmonization of tax laws, is one of the most important elements in a balanced construction of Europe. Before we come to discuss enlargement, it might perhaps be a good idea if the Ten were harmonized somewhat. I think therefore that the least we and Parliament can do is to try and find out where we stand in this respect, and I regret that the Council does not appear to have any more interest in this matter.

Lord Trefgarne. — I don't think it is true to say that nothing has been achieved in this area, but I cannot hide from the honourable Member the Council's disappointment that more progress has not been possible. The fact of the matter, however, is that these are very complicated issues, and negotiations are always long and difficult.

Mr Deleau. — (*FR*) Could the President-in-Office at least tell us whether a timetable has been drawn up for the harmonization of tax laws and whether the Council has any particular philosophy on this question?

Lord Trefgarne. — Perhaps I could add for the benefit of honourable Members that so far as harmonization is concerned, provisions have already been adopted in, for example, the fields of value-added tax and duty on tobacco products, as well as directives on mutual assistance, tax and duty allowances for travellers and capital duty. A number of other Commission proposals on harmonization of taxes are before the Council and will be adopted when agreement can be reached. The Council concludes that progress has been made towards fiscal harmonization in certain fields and that other areas are still under discussion.

Sir John Stewart-Clark. — I am glad that the Council seems to say that there is a point from where it is starting, because I would like to ask the following question. What measures is the Council taking to simplify the collection of VAT in the different Member States, with particular reference to helping small and medium-sized enterprises that are still considerably under pressure in each State from the bureaucratic mechanisms which operate to the detriment of these businesses?

Lord Trefgarne. — I understand that there is a proposal at present before the Council in respect of the simplification of VAT collection procedures, but the structural basis of VAT has already been substantially harmonized, and that at least is a significant achievement.

President. — Since their authors are absent, Questions Nos 79 and 80 will receive written replies.¹

I call Question No 81, by Mr Newton Dunn (H-525/81):

Will the Council confirm that no member government may prevent imports of motor cars purchased by its own citizens in other Member States at substantial savings because higher retail prices happen to prevail in its own domestic market?

Lord Trefgarne, President-in-Office of the Council. — The provisions of the Treaty do not, in fact, permit the governments of the Member States to prevent their own citizens from importing motor vehicles from other Member States for the reason given, that is, higher prices in the domestic market.

Mr Newton Dunn. — Would the President-in-Office of the Council agree that the one Member State among the Ten whose citizens insist on having right-hand-drive cars and driving on the left of the road have contributed to the fragmentation of the market, so that higher prices exist in that Member State, and

¹ See Annex.

Newton Dunn

would he therefore encourage that Member State to change over to driving on the right?

(Laughter)

Lord Trefgarne. — I am not sure that that is necessarily a matter for the Council. However, on the more serious aspect of the first part of the honourable gentleman's supplementary question I understand that the United Kingdom Government has informed the Commission that it is reviewing its present arrangements for the personal importation of cars, with particular concern for the safety and environmental protection objectives of its national type-approval scheme. The Commission has drawn the attention of the United Kingdom Government to its obligations under the Treaty.

President. — Since their authors are absent, Questions Nos 82 to 89 will receive written replies.¹

I call Question No 90, by Mr Denis (H-560/81/rev.):

In the light of the recent dissolution by the military junta of Turkey's political parties, the fact that the former Prime Minister Ecevit has become the latest of a large number of democratic politicians and workers to be the victim of special courts and having regard to the recent resolution of the European Parliament demanding suspension of the EEC/Turkey association agreements, can the Council specify how relations with Turkey have evolved since January 1981?

Lord Trefgarne, President-in-Office of the Council. — In 1981 the Association Council met once, on 5 June, at ambassadorial level. On that occasion the Community delegation referred specifically to the position adopted by the Foreign Ministers of the Member States in September 1980 concerning the events in Turkey. It emphasized to the Turkish delegation the importance attached by the Community to the swift re-establishment of democratic institutions in Turkey and its concern regarding respect for human rights in that country.

The Council is continuing to keep a close watch on developments in Turkey. Certain decisions taken during recent weeks by the military authorities in power in that country have undoubtedly given rise to serious concern within the Community. I can assure you that we continue to regard it as a matter of the utmost importance that the assurances given again recently by the Turkish Government concerning the return to a democratic parliamentary regime should be given tangible effect at an early date.

Mr Denis. — (FR) In view of the fact that little has been done in response to the legitimate initiatives taken by this Community and our Parliament, does not the Council think that it would therefore be high

time to do something in practical terms to break off relations with a government which is flouting international law in this way?

Lord Trefgarne. — I doubt whether the steps suggested by the honourable Member would have the result that he desires. As far as the European Community is concerned, the Council is still guided by the statement made by the Foreign Ministers of the Nine on 15 September 1981.

Mr de la Malène. — (FR) Madam President, if I understood correctly the Council is deeply concerned and disturbed at the situation in Turkey. In view of this, it said that the return to a democratic parliamentary regime should take place 'at an early date'. Could it tell us what it means by this expression.

Lord Trefgarne. — I would not want to be asked to put a timetable on actions which were to be taken by a government for which I had no responsibility, but it is none the less the case that certain things have happened in Turkey recently which do give us some cause for hope; although I cannot hide from the Parliament the concern which I expressed earlier.

Mr Alavanos. — (GR) I should like to ask, firstly, whether the Council is aware that the President of the Hellenic Republic, Mr Karamanlis, when he was Prime Minister, mentioned in his letter to the Prime Ministers of the Member States of the European Community that instead of showing solidarity with our country when the colonels were in power it saw fit to exploit the association agreement with Greece and, secondly, to what extent is the Council prepared to pursue a different policy *vis-à-vis* Turkey, a policy of genuine solidarity with the Turkish people and not a policy similar to the one it followed with respect to Greece when there was a dictatorship in our country?

Lord Trefgarne. — I referred to the possibility of some progress in Turkey — for example, the convening of the Consultative Assembly on 23 October, which I think was a small step, at least, in the right direction — but I would not wish to draw parallels between the situation in Turkey today and the situation that may have obtained under quite different circumstances in another country some years ago.

Mr Van Minnen. — (NL) Must I conclude from the answers given by the President-in-Office that the Council really takes the view that the most recent events in Turkey, particularly as regards the debarring of the political parties from the so-called 'Consultative Assembly' and the sentencing of the socialist leader Mr Ecevit are steps towards a more democratic regime?

¹ See Annex.

Lord Trefgarne. — As I have said, two or three times already, the situation in Turkey is far from satisfactory, but the Turkish Government is certainly in no doubt as to the views of the Council.

Mr Sieglerschmidt. — (DE) Mr Van Minnen asked precisely the same question as I intended to ask, i.e. does the President of the Council really think that the Consultative Assembly, which was convened in a wholly undemocratic manner, i.e. by order, can be described as progress? Is this not almost a cynical way to describe the situation in Turkey?

Lord Trefgarne. — I cannot pretend that the step which I referred to was anything more than a very small one, but it is none the less just that, and I hope that in due course I shall be able to report better things to the Parliament.

Mr Plaskovitis. — (GR) I should like to ask the Minister whether he is aware that certain members of the so-called Consultative Assembly are taken to the meetings by armed guards and police precisely so that they will not depart from the path which will ultimately lead them to deceive the citizens into believing in an alleged return to democracy and parliamentary government in Turkey?

Lord Trefgarne. — The honourable Member is right to suggest that parliamentary democracy as such does not exist in Turkey at the present time.

President. — We continue with the questions addressed to the Foreign Ministers.

I call Mr Galland on a point of order.

Mr Galland. — (FR) Madam President, we have all just been taught an excellent lesson. Because of the way we have conducted ourselves, you have called thirty questions in half an hour, which is an extremely rare occurrence in this Assembly. Since the questions addressed to the Foreign Ministers normally begin at 6.30 p.m., would it not be possible in the meantime to return to certain questions from the first group since some of their authors are now present?

President. — We will see what we can do in this respect after considering the questions on political cooperation.

I call Question No 91, by Mr Blaney (H-429/81):

Will the Foreign Ministers, in the framework of political cooperation, undertake to examine, as a matter of concern to the Community as a whole, the tense situation in the north of Ireland and the possibility of seeking

a lasting solution through mediation and negotiation in the Community framework?

Lord Trefgarne, President-in-Office of the Foreign Ministers. — The rules of political cooperation do not allow replies to questions on the internal affairs of one or several Member States.

Mr Blaney. — I am surprised at the reply. Could I say to the Minister that this has been asked in the broadest framework and in full knowledge of the benefit to the Community that a satisfactory solution of the present tense situation in Ireland would bring about? It is on that basis that the question has been asked, and I think that the reply certainly overshoots that thought and in no way attempts to deal with it. Perhaps the Minister may have a little more to say, considering the context in which the question is set?

Lord Trefgarne. — As I have said, Ministers in political cooperation have not discussed this matter and consequently the Presidency is not in a position to reply. But if I could speak for a moment as a British Minister, I would like to make it absolutely clear that the British Government is committed to the well-being of all the people of Northern Ireland. It will continue to try to achieve agreement among the political parties on a form of administration which will be broadly acceptable to both sections of the Community in Northern Ireland.

Mr Simpson. — Does the President-in-Office acknowledge that the constant and close contacts existing between the United Kingdom and Ireland as partners within the European Community have assisted in the recent substantial progress achieved in the relations between their two governments?

Lord Trefgarne. — I certainly do agree with the observation of the honourable gentleman. These contacts were exemplified in the recent Summit which took place in London a week or so ago. It was friendly and constructive, I understand, and helped to consolidate the relationship between the United Kingdom and the Republic of Ireland. The British Government's objective is to create a situation in which meetings between the Prime Minister and the Taoiseach are seen to be routine.

Mr Van Minnen. — (NL) I am very pleased that the honourable lord just spoke quite deliberately in his capacity as a British Minister. Might he then, in this capacity, perhaps accept the suggestion contained in Mr Blaney's question.

Lord Trefgarne. — As I said in my earlier reply, this matter has not been discussed by the Ministers in

Lord Trefgarne

political cooperation, but I always aim to be as helpful as I can.

Mr Prag. — Given the Minister's reply to Mr Simpson and the very satisfactory and important development of discussions between the British and Irish Governments over Northern Irish questions, does the Minister not think it is time that Mr Blaney stopped putting provocative questions of this kind?

Lord Trefgarne. — I doubt whether that is a question for the Council.

Mrs Ewing. — May I ask the Foreign Minister for just one point of clarification in the answer he gave to the effect that that the matter had not been discussed. Is he asking this House to believe that it has never been discussed, or just that it was not discussed at the last meeting?

Lord Trefgarne. — What I said was what I meant, namely that the matter has not been discussed in political cooperation.

Mr Maher. — In view of the fact that both Britain and Ireland are members of this European Community, would the Minister agree that it would be desirable for a question like this to be discussed in political cooperation in the Council of Ministers and would he recommend that that be done?

Lord Trefgarne. — The thrust behind the original question of Mr Blaney related to the situation in Northern Ireland which is of course part of one Member State, namely the United Kingdom.

President. — Since its author is absent, Question No 92 will receive a written reply.¹

I call Question No 93, by Mr Israel (H-448/81):

Do the Foreign Affairs Ministers consider that the proposals made to the USSR in July 1981 for settling the conflict in Afghanistan are still valid and are they still waiting for a reply or a further statement from Soviet diplomatic sources?

Lord Trefgarne, President-in-Office of the Foreign Ministers. — The European Council's proposals of 30 June remain valid. The Soviet response has so far been disappointingly negative, but we hope that they will come to recognize that the proposals offer a reasonable and practical framework for negotiating a peaceful settlement of the situation in Afghanistan.

Mr Israel. — (*FR*) Speaking as a humble Member of Parliament, I must say that I am amazed that you have expressed hope after several months of silence on the part of the Soviet authorities. However, in my capacity as rapporteur for this Parliament on the question of Afghanistan, I should like to ask you to tell us in a little more detail whether you expect to receive a reply from the Soviet authorities on a particular aspect of your proposal as it would be a very serious matter if we were to go on hoping for a reply and suspending our strategy if this reply were never to be forthcoming.

Lord Trefgarne. — I very much hope that the Soviet Government will reply constructively to the proposals that have been made to them, but that is rather different from saying that I expect them to reply. I must confess that I have no positive evidence to show that they will positively reply, but as I say, I very much hope that they will. There are, of course, other proposals relating to this matter which are on the table in various parts of the world, and the Soviet Union is, of course, absolutely entitled to take up any one of them.

President. — I call Question No 94, by Mr Cluskey (H-469/81):

Will the President-in-Office state what progress, if any, has been made to date, in setting up any formal structures in the area of political cooperation?

Lord Trefgarne, President-in-Office of the Foreign Ministers. — The Foreign Ministers of the Ten at their meeting on 13 October agreed on a new report containing a number of improvements to the machinery of political cooperation. Some of these improvements are similar to suggestions contained in Parliament's resolution of 9 July 1981. The Presidency is arranging for a copy of the report to be circulated to Members of the Parliament.

Mr Cluskey. — May I ask the President-in-Office if he would comment on public statements made by the former Irish Minister for Foreign Affairs to the effect that, at meetings of the Council of Ministers at which political cooperation was discussed, pressure was put on the Irish Government to abandon its policy of military neutrality? If the statements by Mr Brian Lenihan are factual, could I have an assurance from the Minister that no further attempt will be made to undermine Irish military neutrality under the guise of political cooperation?

Lord Trefgarne. — I can assure the honourable gentleman that there was no question of any such pressure being brought on the Irish Government, as he suggests, and consequently the second part of his question does not arise.

¹ See Annex.

Lady Elles. — Could the President-in-Office inform the House whether a secretariat, as envisaged in the resolution of 9 July and as mentioned in other words in the London report, has in fact been set up, and also whether the crisis management mechanism of 48 hours notice has also been set up as contained in the London report?

Lord Trefgarne. — I can help the honourable lady on that. A staff for the presidency will be provided under the new arrangements from the preceding and subsequent presidency staffs. Thus the Belgians are going to provide officials almost at once, I understand. A crisis procedure was also agreed where a meeting can be called on 48 hours notice at the request, I think, of three members.

Mr Seligman. — Is the President-in-Office aware that the Parliament extended the period of office of the President of the Parliament to 2½ years? Would he consider starting proceedings to extend the presidency of the Council for individual countries in their turn beyond six months — which is ridiculously short — to at least a year or preferably two years, in order to get something done?

Lord Trefgarne. — That is of course a very interesting suggestion. But I understand it is a rather fundamental and far reaching one and would need, for example, an amendment to the Treaty.

President. — I call Question No 95, by Mr Radoux (H-385/81):

Can the Foreign Ministers say in what way political cooperation has been made more effective in the past few months as a result of the measures supposedly adopted to improve its operation?

Lord Trefgarne, President-in-Office of the Foreign Ministers. — On 13 October the Ministers of the Ten reaffirmed and strengthened their commitment to political cooperation. They also agreed a number of improvements to its machinery, including the creation of a small support staff for the presidency and the introduction of a procedure to convene meetings in an emergency. The Ten believe that these improvements will enhance their ability to achieve common positions and joint action on foreign policy matters.

Mr Radoux. — (FR) As in the case of the previous question, I should like to know whether anything has been done with regard to the political secretariat.

Lord Trefgarne. — As I said in answer to an earlier supplementary question from Lady Elles, a staffing arrangement has been agreed for the secretariat, the

terms of which I communicated to the honourable lady.

President. — Since they deal with the same subject, I call Question No 96, by Mrs Ewing (H-408/81):

On what recent occasions and in what terms have the Member States declared their opposition to apartheid, and what is the voting record of the Nine or Ten in the United Nations since January 1979 on proposals for an economic boycott of South Africa in order to reinforce the opposition of the EEC to apartheid?

and Question No 99, by Mrs Buchan (H-454/81):

Would the Ministers outline what measures have been taken or are planned, following the adoption of resolution No 35/206/Q by the General Assembly of the United Nations on 16 December 1980, to ensure the cessation of further investment in, and loans to, South Africa from Member States?

Lord Trefgarne, President-in-Office of the Foreign Ministers. — The Ten's condemnation of the apartheid system and their desire to promote the process of peaceful change in South Africa, have been outlined on many occasions, most recently in the speech made on behalf of the Ten on 22 September 1981 by the President-in-Office at the 36th session of the United Nations General Assembly. The votes recorded by the Nine or Ten on the many United Nations resolutions calling for economic sanctions against South Africa, are a matter of public record.

In the vote on the General Assembly Resolution 35/206/Q of 16 December 1980, the United Kingdom, France and the Federal Republic of Germany and Italy abstained while the rest of the Ten voted in favour. Since this resolution of the General Assembly is not binding, the question of action to implement this resolution would be for individual Member States and has not been discussed by the Ministers of the Ten.

Mrs Ewing. — As the Foreign Minister's answer indicates a condemnation of the regime and as we in this Parliament give assurances annually or biannually to our friends of the Lomé Convention on how we feel on the matter, are the Foreign Ministers satisfied that there is not a strong degree of hypocrisy present among some of our Member States in the answer he has given and in the very simple fact that from our capitals and major cities plane loads of people regularly travel to transact business with this regime which we are all meant to condemn thoroughly?

Lord Trefgarne. — I do not think I can go further than to condemn the system of apartheid as I did earlier.

Lord Trefgarne

As for the question of commercial contacts, or contacts of any other kind, then that is a matter for the various United Nations' resolutions and the implementation of them.

Mr Seligman. — Does the President-in-Office not agree that boycotts, as notified in this question, are seldom effective? They have proved ineffective in the past in most areas. But, more important than that, is he aware that, as the Diligent report points out, we depend on South Africa for 45% of our imports of manganese, 96% of our chrome and 82% of our platinum — all strategic materials? Are we really going to take this ridiculous step of cutting ourselves off from those supplies?

Lord Trefgarne. — I am in no position to argue with the honourable gentleman as to the figures which he brings forward. But as to his observations about the effectiveness of boycotts, I share his view that there are very few cases, in history at least, where such boycotts have been successful.

Mr Alavanos. — (GR) When the Council is discussing the internal politics of South Africa and the system of apartheid, will it pay more attention to foreign policy and the problems which could arise for international peace? I should like therefore to ask Lord Trefgarne how the Council reacts to the repeated South African attacks on the Angolan Republic?

Lord Trefgarne. — Certainly, I would agree that the racist policies of the South African Government detract from the security and stability of that area.

Mr Simpson. — Would the President-in-Office instruct the appropriate Community body to prepare and produce a study of the effects that economic sanctions would have on the supply of raw materials from South Africa to the Community?

Lord Trefgarne. — The Council would certainly very likely want to consider the matter which the honourable gentleman raises. But nobody doubts, I think, that the sort of figures referred to by the honourable gentleman opposite a moment ago are very close to the truth.

Mr Vandemeulebroucke. — (NL) Is the President willing to include the practical application of the United Nations resolutions regarding trade relations with South Africa on the Council agenda?

Lord Trefgarne. — There already exists, of course, an arms embargo with respect to South Africa. That is, I think, Resolution 418 of the Security Council, and

that indeed is a mandatory resolution upon the Members. The other resolutions which have been passed by the General Assembly, I think, from time to time are, in general, not compulsory.

President. — Since its author is absent, Question No 97 will receive a written reply.¹

I call Sir Peter Vanneck on a point of order.

Sir Peter Vanneck. — Madam President, I raised my hand — I thought I saw acknowledgement from the chair. If I have to subscribe my name in order to put my supplementary question I will come round and do that, but I thought I saw an acknowledging nod from yourself and the secretariat on either side. Had that not been the case, I should have made my point more forcibly.

President. — I am amazed at what you have just said since I have been approached completely officially on a number of occasions, particularly by your group, with requests to the effect that I should not allow more than three or four supplementary questions to each question and to allow the various groups to speak. As regards the question we have just been discussing, I have already called two members of your group. Sir John Stewart-Clark also asked to speak — before you did — and I indicated to him that I could not give him the floor.

Sir Peter Vanneck. — Madam President, I fully appreciate that. What I was really querying was the acknowledging nod which made me think that I had the right. Of course, I do not mind if I have not, but I would like to know whether that acknowledging nod means anything or not.

(Laughter)

President. — I am very sorry Sir Peter, and in future I will be careful not to nod in such a way as to give people ideas.

(Laughter)

Since they deal with the same subject, I call Question No 98 (H-440/81), by Mr Lomas, for whom Mr Boyes is deputizing:

Noting the continued strengthening of the South African military machine, will the Foreign Ministers support action taken to ensure the strict implementation, and strengthening, of UN Security Council Resolution No 417 on arms supplies to South Africa?

¹ See Annex.

President.

and Question No 100, by Mr Caborn (H-458/81):

Will the Ministers consider extending the EEC code of conduct on South Africa to ensure that companies based within the EEC, or subsidiaries of companies based in the EEC, do not supply any equipment for use by the South African military, security or police forces?

Lord Trefgarne, *President-in-Office of the Foreign Ministers.* — The Ten take very seriously their obligations under Resolution 418 of the United Nations Security Council which forbids the sale of arms to South Africa. Its implementation falls within the jurisdiction and responsibility of the Member States and has not been discussed by the Ministers of the Ten. Any proposal to strengthen the arms embargo would require a further resolution of the United Nations Security Council. Ministers of the Ten have not discussed any proposal to apply the European Community Code of Conduct to the supply of equipment for the South African forces or police since the Code's purpose is to encourage companies operating in South Africa to improve the working conditions and prospects of their black employees.

Mr Boyes. — We are all aware of this disgraceful political system in South Africa with the government that has kept Nelson Mandela in prison for almost 20 years being committed to a system of apartheid and where weapons are used both internally to control and murder opposition to that system, and externally to attack, amongst others, the sovereign State of Angola. Will the President-in-Office comment on South African aggression against Angola?

Lord Trefgarne. — The position of the Ten with respect to the invasion of Angola, to which the honourable Member refers, is quite clear — we have condemned it.

Mr Caborn. — Will the President-in-Office be raising the question, in the context of the arms embargo in the United Nations resolution, of the possible supply of equipment for military, security and police forces within South Africa? It is becoming increasingly clear that these forces are being used, not for security as we know it, but in order to maintain the apartheid system and repress the black people of South Africa. Would the President-in-Office please comment on this? Would he also state whether it will be raised in the Council?

Lord Trefgarne. — The Ten have, as I said earlier, undertaken to observe scrupulously the provisions of Resolution 418 of the UN Security Council which imposes, as I have said, a compulsory embargo on the supply of arms to South Africa. Application of these sanctions, which is, I think, what the honourable Member is referring to, falls within the jurisdiction

and responsibility of individual Member States and is not therefore a matter for the Council.

Mr Van Minnen. — (NL) I am sorry to have to say that, as I see it, the Minister is trying to evade the issue here. Obviously, it is not merely a question of the military machine, it is also a question of military investment, i.e. the financial investment which comes to be used for military purposes in South Africa. I should like to ask him quite explicitly to what extent the Ten's control system enables them to keep track of military investments?

Lord Trefgarne. — The UN embargo to which I referred relates to the supply of arms to the Republic of South Africa. As for the wider matter to which the honourable Member refers, there is no compulsory provision of the United Nations in respect of that matter. It is not therefore a matter upon which I can comment further.

Mr Denis. — (FR) Does not the Minister think that what he has said regarding the implementation of the code of conduct shows that, when it comes down to it, this code is nothing more than a smoke-screen to conceal relations which give support in real terms to the racist and aggressive South African regime?

Lord Trefgarne. — I would not agree with the honourable gentleman in that interpretation. The code of conduct is being implemented by all those Member States which have companies to which its provisions apply. Implementation of the code is carried out at a national level and is therefore the responsibility of Member States. The Ten are, however, in the framework of political cooperation, following closely the progress made in implementing the code, and I hope that will go some way to satisfying the honourable Member.

President. — I call Question No 101, by Mr Penders (H-471/81):

Is there still some possibility of the Ten taking the political initiative on the Middle East in the foreseeable future?

Lord Trefgarne, *President-in-Office of the Foreign Ministers.* — The Ten's policy towards the Middle East was clearly set out in the Venice Declaration and subsequent statements. The Ten remain committed to an active role in the search for a comprehensive peace in the Middle East. Lord Carrington's visit to Saudi Arabia from 3 to 5 November was the most recent evidence of this commitment.

Mr Penders. — (NL) How can the President-in-Office reconcile the fact of four Member States

Mr Penders.

joining the Sinai Force with the upholding of the Venice Declaration and the sympathetic reception given to the Fahd Plan?

Lord Trefgarne. — I do not think that the three matters to which the honourable gentleman referred are in any way incompatible. It has not yet been decided how many European nations, if any, will join the Sinai Force. However, irrespective of who may join it, the purpose of the force is, of course, to supervise an aspect of the Camp David Agreement.

Mr Galland. — (*FR*) Does not the President-in-Office of the Council think that the European peace plan for the Middle East could be improved if the PLO were asked to rescind Articles 19 and 22 of its Charter, which refer to the destruction of the State of Israel as one of the aims of the organization, before any negotiations start?

Lord Trefgarne. — Certainly that aspect of the position of the PLO which the honourable Member refers to is one that would sooner or later prevent a successful resolution of this problem. It would certainly help the process forward quite considerably if the PLO were able to offer even qualified support in relation to the existence of the State of Israel.

Mr Israel. — (*FR*) Mr President-in-Office, do you not think that you are taking a considerable risk saying that a force consisting of four nations could move into Sinai while implying in other ways this would not be in keeping with the Camp David Agreement? In addition, do you not have the feeling, when you say that the Fahd Plan necessarily involves the recognition of the State of Israel, that your view differs somewhat from that of an organization known as the Palestine Liberation Organization?

Lord Trefgarne. — I confess that I don't quite follow the logic of the honourable gentleman's supplementary question. The fact is, of course, that the Israeli withdrawal from Sinai is part of the Camp David process. Thus any country that participates in that force will be, as I have said earlier, participating in the supervision of that aspect of the Camp David Agreement.

Mr Wedekind. — (*DE*) What possibilities do you see of bringing the Venice Declaration and the Fahd Plan into line with a view to establishing a comprehensive basis?

Lord Trefgarne. — The Venice Declaration and Prince Fahd's eight-point plan do have certain features in common, and it is that that gives me cause to believe that the way forward can be found through the

medium of those two documents. That is not to say, however, that we should wish to cut across the existing Camp David process, because we do not. The Camp David process has a number of important achievements to its credit already, and doubtless there will be more.

Mr Marshall. — Would the President-in-Office agree that, if the Community is to play a role in the peace-making process in the Middle East, it has to be seen as an honest broker and that since the Venice Declaration it has been seen as a one-sided supporter of the Arab cause and has been seen by the people of Israel as an opponent and not a friend? Would he also agree that the attitude of the PLO, despite optimistic noises from some naïve supporters of the Venice Declaration, has shown no signs of changing since that Declaration?

Lord Trefgarne. — I would not for one moment accept the jaundiced view of the Venice Declaration which is taken by the honourable Member. There is cause for hope that the way forward can be found through the medium of the Venice Declaration, possibly amended in accordance or in cooperation with Prince Fahd's eight principles. As for the position of the PLO, as has been said on a number of occasions, there are some grounds for hope that they will be able to alter their public position on the State of Israel before long.

President. — I call Mr Israel on a point of order.

Mr Israel. — (*FR*) Madam President, what do our Rules of Procedure have to say about a situation in which a speaker has manifestly misinterpreted or misunderstood a question?

(*Laughter*)

President. — Nothing, Mr Israel.

(*Laughter*)

I call Question No 102, by Mr Maher (H-494/81):

Can the Ministers inform Parliament as to the total expenditure on security, both internal and external, for each Member State of the EEC?

Lord Trefgarne, President-in-Office of the Foreign Ministers. — Madam President, I hope that this answer will be comprehensible. The figures requested refer to activities wholly or partly outside the scope of European political cooperation. It would therefore be more appropriate for the honourable Member to seek them from the relevant national authorities. Most of them are also freely available from published sources such as the military balance.

Mr Maher. — If they are that freely available, I cannot understand the President-in-Office's reluctance to give them in this House, because surely it is important for the Members of this directly-elected Parliament to be able to get that kind of information in this House in order to help it in its work towards formulating or proposing new policies which entail new expenditures. It is important that the Parliament should know what the expenditures are under the various headings of member governments on an important question like security. I would ask again the President-in-Office if he would make the information available to this House sitting in plenary session.

Lord Trefgarne. — I am here to answer questions at this time about matters that have been discussed in European political cooperation. It is no part of my function to provide an information service for the honourable Member.

Mr Boyes. — I can understand your reluctance, Mr President, to read out pages of information, but I still agree with Mr Maher that we are entitled to the information, and I hope you may provide it in written form.

One of the two most urgent questions facing the countries of the Ten is peace and the most urgent question facing a large number of other countries is poverty. Does the Minister not agree that there is a total imbalance in the expenditure of the countries of the Ten on these two matters and that it would be preferable to spend money on protecting and nurturing life rather than on attempting to destroy it? Has the Council any plans or proposals to correct this obvious and ridiculous imbalance?

Lord Trefgarne. — I certainly agree that defence expenditure in the world is excessive, and as soon as we can be certain that the Russians are significantly reducing their expenditure, we shall be ready to do likewise.

(Protests from Mr Boyes, Applause from various quarters on the right)

Sir Peter Vanneck. — Would the Foreign Ministers consider asking the Defence Ministers to consider a task-force to look for savings by common procurement possibilities, so that the United Kingdom initiative by its Defence Minister, Mr John Knott, which refers to these problems, could be put forward, perhaps to the International Institute for Strategic Studies and then be extended to the European context?

Lord Trefgarne. — I understand that there is a communication from the Commission to the Parliament on this matter and it would be interesting to see

what the Parliament's view on that would be, but it is, of course, also the case that discussions on the sort of matter raised by the honourable gentleman are held in other forums from time to time and particularly, of course, in Nato.

Mr Blaney. — Would the President-in-Office care to state in this regard how it is that the cost per head to taxpayers in the south of Ireland for the security of the north of Ireland, which he has claimed is an internal matter of the UK, is twice as much as it is to the taxpayers of the UK?

Lord Trefgarne. — I hardly think it is for me to comment on the cost-effectiveness of the Republic's defence arrangements.

President. — I call Mrs Ewing on a point of order.

Mrs Ewing. — Madam President, in the light of this farcical Question Time, where the poor attendance of Members is only equalled by the non-answers of the Council, could I ask if a new situation has crept in with regard to the obligations of the Council to answer, since they sometimes give statistics and sometimes do not. They say they are freely available. Now could we have guidance here because it can influence the whole conduct of how we put our questions in the future. I have been here six years and have had numerous statistics given that were far more complex and longer than those asked today, and refused to me and to Mr Maher. I am coming to the conclusion that statistics are only given if they are not embarrassing and are not given if they are embarrassing.

President. — Mrs Ewing, if you wish to ask this question, you must do so at the next Question Time, when questions to the Council are being dealt with, since it is not down on this occasion and the Council cannot be called on to answer a question contained in a point of order. I should, however, remind you that, according to the rules in force, the aim of questions may not be to obtain documents or statistical information.

Since its author is absent, Question No 103 will receive a written reply.¹

I call Question No 104, by Mr Newton Dunn (H-526/81):

Will the Foreign Ministers acting in political cooperation raise the question of the release of Mr Wallenberg with the authorities in the Soviet Union where he has been detained since the Second World War?

¹ See Annex.

Lord Trefgarne, President-in-Office of the Foreign Ministers. — The Ten have no definitive evidence as to the fate of Mr Wallenberg. The Swedish delegation at the Madrid CSCE review meeting, with support from the Ten, has appealed for a reinvestigation of Mr Wallenberg's disappearance, but the Soviet authorities have not yet responded to this. Over the years the Swedish Government has continuously tried to obtain clarification from the Soviet Union on the fate of Mr Wallenberg. The Swedish Government has not asked for other governments to intervene on the question of Mr Wallenberg, but if they did so, the Ten stand ready to discuss how they might help.

Mr Newton Dunn. — I thank you for that very helpful answer. I would be interested to know whether there is any evidence that the man who effected the arrest of Mr Wallenberg in Hungary was none other than an ambitious young officer called Brezhnev.

Lord Trefgarne. — I have no evidence to support that suggestion.

(Laughter)

Mr Van Minnen. — (NL) Are we then to conclude from the Minister's answer that the reports to the effect that Wallenberg is still alive in the Soviet Union which, it should be noted, originates from his excellent British secret service, are totally unsubstantiated?

Lord Trefgarne. — The honourable gentleman is mistaken to imagine any such thing. The position is as I have described it in the original answer.

President. — I call Question No 105, by Mr Tyrrell (H-530/81):

Have the governments of the Ten Member States adopted a common policy in relation to the Madrid meeting of the Conference on Security and Cooperation in Europe in respect of the Soviet military occupation of the formerly neutral States of Estonia, Latvia and Lithuania, and what is that policy?

Lord Trefgarne, President-in-Office of the Foreign Ministers. — The Ten have not discussed their attitudes to the incorporation of the Baltic States into the Soviet Union. The subject has not been raised at the Madrid review meeting nor at any previous CSCE meeting.

Mr Tyrrell. — That is a disappointing answer. Having regard to Article 8 to the Final Act of the Helsinki Agreement which secures the right of self-determination of peoples and their right in full freedom to determine when and as they wish their internal and external political status, having regard to the history as to how

these two European neighbours came to lose their independent status as a result of the Molotov-Ribbentrop pact in 1939, does not the Council think it is high time that in political cooperation they had a policy towards these States?

Lord Trefgarne. — There are differences among the Ten between those who give recognition *de facto* on the one hand or *de jure* on the other to these States. As for the United Kingdom, if I may speak in that capacity for a moment, Her Majesty's Government accept as a matter of fact that the Baltic States have been incorporated into the Soviet Union but have never considered the incorporation to be lawful. Her Majesty's Government therefore continue to withhold *de jure* recognition. On the question of the CSCE Conference and whether this matter should be raised at that conference at Madrid, I believe it is more useful that the delegations of the Ten at Madrid should continue to press for progress on the important issues of human rights and, for example, a conference on disarmament in Europe.

Mr Alavanos. — (GR) Since the question deals with security and the Madrid Conference and with the question of Northern Europe, I should like to ask the Minister whether the Foreign Ministers have dealt with or intend to deal with the proposals by the Soviet Union for nuclear-free zones in Northern Europe particularly now that, as you know, the government of a Member State, the Greek Government to be precise, has accepted the idea of nuclear free zones, taking as an example the need to free the Balkans from the presence of nuclear weapons.

Lord Trefgarne. — The Council has not discussed this matter and it is in any event a matter that falls rather more in the defence field, although the United Kingdom Government, speaking again personally in that capacity, has considerable reservations about the proposal which the honourable gentleman refers to.

Mr Patterson. — Perhaps I could remark that at least we have made some progress in that this question has now been made admissible. Could I press the Minister on the subject of those countries which do not believe that the matter of these Baltic States should be brought up within political cooperation and in particular, at the Madrid Conference? In view of what Mr Tyrrell has said about the clear applicability of the Helsinki Agreement to this matter, which Member States of the Community do not believe that it should be raised?

Lord Trefgarne. — The difficulty is not a matter of principle — there is no difficulty in sufficiently and adequately bringing this matter forward as a matter of principle at the Madrid Conference. The problem is that one has to establish an order of priorities, because

Lord Trefgarne.

there is not time to raise everything, and there are other matters of even greater importance.

President. — Since their authors are absent, Questions Nos 106 and 107 will receive written replies.¹

I call Question No 108, by Mr Berkhouwer (H-557/81):

Do the Ministers not consider that all the governments of the Ten should adopt a common attitude to relations with the State of Israel on the one hand and the PLO on the other?

Lord Trefgarne, President-in-Office of the Foreign Ministers. — The Ten's attitude towards Israel and the PLO in the context of the search for Middle East peace was set out clearly in the Venice Declaration. The Ten remain committed to it. Bilateral relations with Israel or the PLO are a matter for each individual Member of the Ten.

Mr Berkhouwer. — (NL) It is still a question of studying the possibilities for an initiative in the Middle East. Can the representative of the Foreign Ministers meeting in political cooperation — since it is these Ministers he is representing at the moment, and not the Council — really believe that the Ten can jointly take an initiative in the Middle East if one Member State has relations with the PLO and the other nine do not or *vice versa*? Does this seem possible? Are you counting on bilateral relations?

Lord Trefgarne. — I think the honourable Member misunderstands the basis for political cooperation. It is no part of the system to dragoon the Members into following some single line on any particular matter. As I said earlier, it is for individual States to decide how to order their relations with Israel or the PLO.

Mr Israel. — (FR) Mr President-in-Office, are you not afraid of establishing a false symmetry as it were, between Israel and the PLO since Israel is a State recognized by the international community while the PLO is an organization? Should you not be a little more careful about establishing a symmetry of this kind in your responses?

Lord Trefgarne. — The significance of the PLO in the context of the Middle East situation is that they represent a significant body of Palestinian opinion. We do not suggest that they have some sort of symmetry with Israel, as the honourable Member is doing, and since they do represent a significant body of Palestinian opinion, then it is unrealistic to imagine that progress can be made on the Middle East problem without taking their views into account.

Mr Alavanos. — (GR) In answer to a previous question on the same subject, the President-in-Office said that the Camp David Agreement contains some positive aspects as regards the Middle East situation. This is a very serious matter for us because, as far as we know, the Papandreou Government is opposed to the Camp David Agreement and maintains, rather, that it will only be possible to find a solution to the problem of the Palestinians if the PLO is involved. I should therefore like to ask the President-in-Office whether, in his answer to this previous question, he was expressing the opinion of the Foreign Ministers meeting in political cooperation or the opinion of the British Government?

Lord Trefgarne. — The position of the Ten in political cooperation is reflected, as I have said several times this afternoon, in the words of the Venice Declaration and that, of course, stipulates that some contact with the PLO will be necessary.

Mr De Goede. — (NL) Can the President-in-Office tell us what initiatives have been made with a view to persuading Greece to come more into line with the Community stance as regards, for example, the recognition of Israel by the ten countries?

Lord Trefgarne. — The discussions going on at present in connection with Middle Eastern matters of course include Greece, but I would not wish to go into the detail of these negotiations which are, of course, confidential.

President. — The second part of Question Time is closed.^{1,2}

(The sitting was closed at 7 p.m.)

¹ See Annex.

² See Annex.
² Agenda for next sitting: see Minutes of proceedings.

ANNEX

Questions which could not be answered during Question Time, with written answers

I. QUESTIONS TO THE COMMISSION

Question No 3, by Mr Remilly (H-410/81)

Subject: Organization of the market in fruit and vegetables

Is it not true to say that this summer experience has once more proved us to be right in constantly urging that present rules be amended in order to provide improved guarantees concerning the income of fruit and vegetable growers?

Answer

The Commission has just submitted to the Council a proposal for a regulation amending the basic regulation on the organization of the market in fresh fruit and vegetables. The aims of the proposal include promoting the creation of producer groups and strengthening their role, accelerating the procedure whereby a state of serious crisis may be recognized in the case of certain vulnerable products, and adding two products (aubergines and apricots) to the list of products covered by the intervention scheme. The Commission believes that this proposal will satisfy the honourable Member.

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Question No 5, by Mr Normanton (H-418/81)

Subject: Financial support for the proposed North Sea gas-gathering pipeline

What proposals could the Community make to secure early development of such a scheme which would have a beneficial effect on the development of the Community's indigenous energy resources?

Answer

The construction of a gas-gathering system in the North Sea would be extremely useful to the Community for such a system would increase the availability of gas within the Community while reducing reliance on imported gas. This would be a fundamental contribution towards safeguarding the Member States' energy supplies.

The Community could make use of a number of the financial instruments for structural purposes which it has at its disposal by way of contributing to the construction of the kind of system to which the honourable Member refers. This type of infrastructure could be financed by way of a contribution from the Regional Development Fund or by loans granted by the European Investment Bank and the New Community Instrument for loans and advances.

However, a final decision on the eligibility of a given project for the various Community instruments cannot be taken until the application has been made and there is confirmation that all the conditions required for obtaining the financing in question have been satisfied.

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Question No 8, by Mr Paisley (H-291/81)

Subject: Allocation of aid from the ERDF in the UK

In view of the fact that the Prime Minister of the UK denied in a written parliamentary reply in the UK House for Commons on 26. 3. 1981 the claim by the Commission, contained in reply to my oral

question (H-787/80),¹ that the UK Government had failed to supply all necessary information to enable the Commission to evaluate the allocation of aid from the ERDF in the budget of the UK, as requested in a letter from the Commission on 23. 2. 1979, will the Commission now make a further statement on this matter and in particular, will the Commission comment on the claim of the Prime Minister of the UK that the required information was given in 1980?

Answer

The Commission confirms that, in its letter of 23 February 1979, it requested all Member State governments to supply the information on the allocation of the amounts received from the European Regional Development Fund and on the measures to ensure that they are really complementary in character, according to Article 19 of the ERDF regulation.

The Commission enquired again in 1980 and 1981 the Member States on the subject. The United Kingdom Government has, after a preliminary reaction in June 1980, given by letter of 14 May 1981 the information concerning budgetary procedures practised in the United Kingdom. According to those procedures, all receipts by the UK from the ERDF are paid in the first instance to the Government and then they are included in the annual Supply Estimates, which show the receipts in respect of the type of projects to be financed (industrial or infrastructure) and of the areas to which the receipts are to be allocated.

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Question No 12, by Mr Collins (H-395/81)

Subject: Commission's report on bathing water quality

In reply to written Question No 612/80² the Commission stated that it had received reports on bathing water from all the Member States in accordance with Directive 76/160/EEC by June 1980. The Commission said that it would compile its own report for the Community as a whole and would submit it to the Member States for checking before it is published. The Commission hoped to publish the report in the last quarter of 1980.

Will the Commission please now explain the delay in publishing its report, and will it please state when the report can now be expected?

Answer

The Commission has been unable to publish the report on the quality of bathing water in accordance with Article 13 of Directive 76/160/EEC in the last quarter of 1980 as it had hoped to do in its answer to written Question No 612/80.

Some Member States have failed to supply the additional information requested by the deadline set by the Commission, while others have failed to give their agreement to the relevant part of the draft report in good time before publication.

A number of Member States, on being asked to give their agreement to the relevant part of the draft report, submitted additional information, with the result that the Commission has had to rework a number of documents.

Finally, a number of Member States have asked for copies of the revised version incorporating their comments before giving their final agreement.

To avoid mistakes, and in accordance with Article 13 of Directive 76/160/EEC, the Commission is currently sending out a revised version of the relevant parts of the report to the Member States.

In the circumstances, the Commission now expects to be able to publish the report in the first quarter of 1982.

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¹ Debates 268.

² OJ C 239 of 17 September 1980, p 14.

Question No 17, by Mr O'Donnell (H-443/81)

Subject: Shannon Airport

The Irish Government is considering a major development plan for Shannon Airport. Would the Commission be willing to provide financial or other assistance towards the implementation of the new plan in view of its regional implications?

Answer

The type of infrastructure indicated by the honourable Member could be financed by way of a contribution from the European Regional Development Fund or by loans granted by the European Investment Bank and the New Community Instrument for loans and advances.

However, a final decision on the eligibility of a given project for the various Community instruments cannot be taken until the application has been made and there is confirmation that all conditions required for obtaining the financing in question have been satisfied.

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Question No 18, by Mr Diana (H-465/81)

Subject: Threat of retaliatory trade measures by the United States

Can the Commission confirm the press report that the United States administration has sent a letter to the Commission threatening to take retaliatory trade measures if the Community introduces a tax on oils and fats and, if so, does it not feel that this constitutes serious interference in the affairs of the Community which should be firmly rebuffed?

Answer

The possibility of the Community's imposing a tax on Community-produced and imported oils and fats has caused a considerable stir, particularly in the non-Community countries supplying vegetable oils.

This being so, it is not surprising that the American Government, which regards itself as being very much involved, should also have expressed its views on the subject.

The honourable Member may rest assured that the Commission's view, set out in its communication to the Council of 15 October, which has already been forwarded to Parliament, has not been influenced by outside pressures.

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Question No 19, by Mr Marshall (H-473/81)

Subject: Discrimination against Scotch whisky by France

Is the Commission aware that the French Government is threatening to introduce legislation discriminating in favour of brandy and armagnac and does the Commission agree that such action would be in blatant disregard of the decisions of the Court?

Answer

In fact, the French authorities consulted the Commission on the possibility of differentiating the tax rates according to whether the spirits in question met certain specifications concerning their chemical make-up.

The Commission informed the French authorities that in its view such a system would contravene the provisions of the Treaty's Article 95. The French Government has not in the event submitted legislative proposals of this kind.

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Question No 20, by Mr Bonaccini (H-476/81)

Subject: The textile industry

In view of the disquieting decline in the production situation in various branches of the textile and clothing industry, can the Commission state what specific measures it intends to propose and adopt within its field of competence to remedy the situation?

Answer

1. In July 1981 the Commission transmitted to the Council a communication on the situation and the prospects of the textile and clothing industries in the Community.¹ The document seeks to define in precise terms the general context of the problem.

This communication was also transmitted to the European Parliament and to the Economic and Social Committee.

2. In view of the current economic situation in the Community in general and in the textile and clothing industry in particular, the Commission felt it was essential for the Community to have a more precise definition of the aims and methods of its industrial policies.

It is clearly necessary for the textile and clothing industry, in view of the pressures of competition, to carry on with the structural reorganization which it has begun. These pressures, together with the social and regional problems which are the result of massive redundancies in this sector, require to be met by an active policy to create an economic framework in which the Community industry can one day regain its competitiveness and therefore survive.

3. The guidelines contained in the communication set out concrete proposals and call on the Commission departments to perform their work with due regard for the different problems of the clothing and textile branches in the light of the overall strategy.
4. The communication stresses the need for more consistent policies to encourage in an effective manner the restructuring which the sector needs. Among the factors considered in the document are:
 - the removal of barriers to trade within the Community and of all distortion of competition, together with measures to maintain the proper functioning of the common market;
 - the creation of an economic climate which is favourable both to dynamic and vigorous industrial strategies and to investments;
 - the harmonization of aid policies;
 - support for the industry's efforts in the area of innovative technology;
 - effective employment policies and regional and social measures which guarantee the long-term future of people in the sector and ensure the competitiveness of the Community industry, and which also help the retraining of the labour force and the revival of areas where the industry is in decline.
5. However, the Commission is not equipped to organize the future of this sector. There is no single solution to the structural, marketing and production problems which face each firm. These problems are the responsibility of each firm. What the industry is entitled to expect is a constructive approach at the Community and national levels to solve the crucial problems besetting the industry.

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¹ COM(81) 388 final.

Question No 21, by Miss Hooper (H-479/81)

Subject: Second Consumer Action Programme

What measures have been taken and what bodies have been consulted in respect of the report on consumer representation *vis-à-vis* the public services referred to in Article 36c of the Commission proposals in the Second Consumer Action Programme?

Answer

As a first step towards drawing up the report referred to in Article 37c (Article 36c referred to in the honourable Member's question is presumably a typographical error) of the Second European Community Consumer Action Programme, the Commission has set in motion an investigation into public services in five Member States, namely Denmark, the Federal Republic of Germany, France, Italy and the United Kingdom. This investigation covers the transport, post and telecommunications, water, gas and electricity supply sectors.

Until this investigation has been completed, no further steps will be taken, either by consultation or by any other means.

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Question No 22, by Mrs Squarcialupi (H-481/81)

Subject: Community position on public health

A conference sponsored by the Council of Europe on the subject 'A European model for the promotion of health: education and prevention' was held in Madrid in September. Twenty-one European health ministers, including the Ministers of the Member States of the European Community, attended this conference.

How can the European Community in future avoid the situation where its Member States put forward their own individual viewpoints and instead work out a coordinated policy which will, among other things, make possible the adoption of a joint strategy of health, at least for the next decade?

Answer

Some considerable time before the conference in Madrid, at which the Commission was represented, the Health Ministers of the Member States met twice in Brussels: to be more specific, on 13 December 1977 and on 16 November 1978. The subject of these meetings was the same as at the Madrid Conference, i.e. 'A European model for the promotion of health: education and prevention'.

The Ministers had, at the time, formulated a precise Community strategy and had called on the Commission to tackle a number of specific projects, essentially in the health education sphere (i.e. tobacco abuse, dietary education and the misuse of drugs and medicines).

In the course of the European Parliament debate of 13 October 1980 on health problems, I gave a general survey of the work being done by the Commission in this field.

No major differences were encountered in the way the various Member States set about this work (with objectives of a general interest), but of course minor differences are bound to occur. The fact remains, however, that there is a continuing need for the definition and implementation of a common strategy, and that steps must be taken to strengthen what already exists in this field. The Commission will do everything it can to ensure that maximum coordination is achieved at ministerial level.

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Question No 23, by Mrs Lentz-Cornette (H-482/81)

Subject: Single international number for national road traffic emergency services

At its meeting of 19 May 1981 in Oslo, the Conference of Directors of the International Convention of Road Accidents Organization discussed the problem faced by national road traffic emergency services as a result of the increasing volume of international traffic. The conference appreciated the importance of standardizing the telephone numbers of the national emergency services which are all different at present and advocated the introduction of a single international emergency number.

Has the Commission considered this matter and is it planning to propose that the Member States introduce a single European emergency number?

Answer

The problem regarding the introduction of a single international emergency number in all ten Member States of the European Community has been raised before in questions in Parliament.¹ The Commission takes the view that this is a question which should be dealt with in the first instance by the telecommunications services of the Member States and other countries.

In fact, the organizations represented in the European Conference of Postal and Telecommunications Administrations (CEPT) discussed this problem as long ago as 1972 in connection with the international harmonization of numbering schemes and adopted a recommendation on the harmonization of emergency numbers.

The Commission has at present no information which would enable it to judge whether the potential benefits of accelerating the process of harmonizing emergency numbers would outweigh the human, technical and economic problems which would be bound to occur on making changes to the current number system to which people in all countries have long been used.

Nor should we forget that the introduction of standard emergency numbers would be fraught with major, wide-ranging technical problems which would not only be enormously expensive, but would also take a long time to implement.

For these reasons, the Commission has no plans at present for giving priority in its programme of work to the introduction of a single emergency number or for taking steps in this direction.

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Question No 24, by Sir David Nicolson (H-485/81)

Subject: Tachographs

Bearing in mind vehicles are used in the building and construction industry to take materials from a central location to a site; these are short-haul journeys; the drivers drive such vehicles for only a limited time and are then required to do other work; such vehicles are not in competition with professional lorries; the costings involved in both maintaining and operating tachographs in such vehicles is an unnecessary expense causing further problems to many small builders and leading to an increase in building costs including those of repair and maintenance; would the Commission be prepared to amend the regulations to exempt the use of tachographs for vehicles used solely on short-haul journeys, if necessary limiting this exemption to the building and construction industry?

Answer

Regulation (EEC) No 543/69 on recording the driving time of road-vehicle drivers includes provisions on the exemption of certain categories of vehicles from this regulation. These exemptions have been incorporated into Regulation No 1463/70 on recording equipment with the result that vehicles of this kind do not need to be equipped with a tachograph.

¹ Written Question No 306/80 by Mr Irmer.
Written Question No 304/81 Mr Schieler.

The Commission has been informed of the doubts expressed from various quarters on the application of the above two regulations to short-haul vehicles. The Commission has therefore entered into consultations with all interested parties with a view to investigating this problem. The honourable Member may rest assured that, should any changes be made, careful attention will be given to all the views expressed on the application of these regulations, with a view to improving the situation.

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Question No 25, by Mr Maher (H-493/81)

Subject: European rural policy.

It is necessary to take into account all the possibilities for development in a local region and to use in the most effective way all the instruments i.e. agricultural policy, regional policy, social policy etc. so as to ensure the best results. Does the Commission intend to put forward proposals for a European rural policy?

Answer

The Commission agrees that the development of many local regions can be most effectively attained through the joint use of all existing finance means including the EAGGF, the ERDF, the European Social Fund and appropriate national funds.

The honourable Member is no doubt aware that following the adoption by the Council of the new orientation of the agricultural structures policy on 30 June 1981, three specific measures concerning the implementations of integrated development programmes in the Western Isles of Scotland, the Department of the Lozère, France and the less-favoured areas of south-eastern Belgium, are now in the course of implementation in these Member States.

The Commission intends to place greater emphasis on this type of measure within the framework of the future evolution of the agricultural structures policy, particularly insofar as the solution to the development problems of certain less-favoured regions of the Community is concerned.

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Question No 30, by Mrs von Alemann (H-506/81)

Subject: The European Social Fund and women over 25

In deciding the new priorities for the further stimulation of job creation, as part of the revision of the ESF, has the Commission taken into account the effect these priorities might have on women over 25? Is the Commission able to give details yet?

Answer

The Commission has not yet formulated its opinion regarding the review of the European Social Fund. The Commission is, however, firmly committed to a policy of promoting equal opportunities for men and women in employment and vocational training, and the honourable Member may be assured that this will be taken into account in drawing up the proposals.

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Question No 36, by Mr Geurtsen (H-520/81)

Subject: Summary of proposals from the Commission on which the European Parliament has delivered an opinion now pending before the Council (SEC(81) 1336 final)

Can the Commission state what measures it intends to take to reduce the almost endless list of proposals on which we have delivered an opinion and which are still being considered by the Council? Does it intend to withdraw these proposals, has it accepted compromise proposals that are at variance with Parliament's opinion, or do the Commission and Parliament just sit patiently until the Council is of a mind to reach a decision?¹

Answer

The Commission has noted first of all that the number of proposals pending before the Council is approximately equal to the number of proposals which are submitted by the Commission in a year. In view of the normal timelag in examining a text, this number is therefore not unusual.

The cause for concern stems rather from the fact that certain proposals remain pending for very long periods, sometimes several years. The reasons for these delays vary from case to case, so that it is impossible to give a general explanation.

Proposals which are pending are constantly monitored by the relevant departments under the control of the Commissioner responsible. Furthermore, there are regular reviews of the situation by the Commission itself, particularly at the beginning of each presidency. Lastly, at least once a year the Commission checks whether certain proposals should be withdrawn because they are no longer relevant or because they have been bypassed by other initiatives.

Parliament, which follows through its committees the work of the Commission and the Council, is aware that the Commission does not act in a manner contrary to the positions it has adopted in the light of Parliament's opinions.

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Question No 37, by Mr Fernandez (H-522/81)

Subject: Barley export refunds

The Commission has decided substantially to reduce the amount of barley export refunds, but only on barley sales to the USSR. This measure is at odds with a dynamic export policy and is likely to cause a bulge in end-of-season stocks. How can the Commission justify a decision of this kind, and does it intend to rescind the decision at an early date?

Answer

In recent months there has been no reduction of export refunds on sales of barley to the USSR. Exports of barley to the Soviet Union have not been treated differently, in the context of the Commission's invitations to tender, from exports to other countries in the last four or five months.

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Question No 38, by Mr Pranchère (H-523/81)

Subject: Improvement of the situation of cattle breeders

The cattle-breeding industry is going through a serious crisis. In some production schemes, many family stock-breeders are on the verge of bankruptcy. Is the Commission willing to maintain the intervention on whole carcasses until the end of the year, and to propose market support measures for store cattle?

¹ See also the same author's Written question to the Commission No 1265/80 in OJ C 329 of 16 December 1980, p. 19.

Answer

The Commission has already decided to purchase hindquarters from 16 November 1981. This decision was taken in view of the significant price increases in the Member States since September 1980, especially affecting forequarters. The decision was also influenced by the need to provide real, effective and flexible market support, as well as by the Community's financial responsibilities in this area. Aid for the private storage of beef hindquarters has also been granted since 2 November 1981.

No new measures are envisaged in the case of feeder cattle, but the Commission would point out that export refunds are granted for on-the-hoof animals of at least 300 kg.

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Question No 40, by Lord Douro (H-529/81)

Subject: Italian deposit requirements on imports

In its reply to a question by Mr Irmer,¹ the Commission states that it was against the kind of measures such as the deposit on imports into Italy. What are the Commission's intentions now that the Italian Government has decided to extend the period during which these measures are in force until the end of February 1982?

Answer

The Commission has not changed the view it expressed in its answer to Mr Irmer's question on the Italian Government's introduction of a temporary deposit requirement for currency purchases. It is still the Commission's view that such measures disturb the operation of the common market and that they cannot correct entirely, on their own, the underlying factors disrupting an economy. Indeed, it is for this reason that the Commission successfully requested, shortly after the introduction of the deposit requirement, that steel products be added to the original list of exceptions and that on 1 July it transmitted to the Italian authorities a recommendation indicating the internal measures for stabilizing the economy which it considered necessary.

At the beginning of September, however, the Italian Government voiced its fears to the Commission about the disruption of internal and external monetary flow which a sudden abolition of the deposit requirement on 1 October might create, and about the new threats to the improving economic situation which might ensue. On 23 September the Commission decided, in accordance with Article 108(3) of the Treaty, to authorize the Italian Government to proceed with the gradual removal of the deposit requirement until the end of February 1982, i.e. according to a tighter schedule than that proposed by the Italian authorities. As from 1 October 1981, however, most agricultural products and non-ferrous metals have been added to the steel products previously exempted from the deposit requirement.

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Question No 41, by Dame Shelagh Roberts (H-531/81)

Subject: EC's social security regulations

On 29 June 1981 I submitted to the President of the European Parliament a question to the Commission on the European Communities² relating to the EC's social security regulations, which deny entitlement to free or reduced-cost health care in other EC countries to a person who came to reside in an EC country as a refugee but who can no longer be regarded as a refugee — for example an Austrian citizen who left Austria as a refugee.

My question asked whether the Commission would agree that it is unfair that a resident of an EC country should be denied entitlement to free or reduced-cost health care when travelling on business

¹ Debates 273.

² Written Question No 702/81 — OJ C 267, 19. 10. 1981.

in other EC countries because he no longer has refugee status, notwithstanding that he is paying all the appropriate taxes of his country of residence. My question further asked whether the Commission would make proposals to remedy this injustice.

In reply the Commission referred me to their reply to Question No 1980/80 which stated the factual position of which I was already aware.

Will the Commission now tell me whether they agree with my view that his position is monstrously unfair and will the Commission please explain to what extent the EEC Treaty lacks an adequate basis for remedying this injustice?

Answer

In confirming the reply already given to Written Question No 702/81, I would like to add the following.

The Community regulations on social security for migrant workers, under which urgent medical treatment can be given during a temporary stay in a Member State other than the State in which the person concerned is insured, have been adopted by the Council on the basis of Article 51 of the Treaty of Rome, which states that, in the field of social security, such measures shall be adopted as are 'necessary to provide freedom of movement for workers . . . '.

As you know, the free movement of workers is, by virtue of Articles 48 and 49, limited to 'workers of the Member States'. Consequently, it is not possible to extend provisions of the regulations to workers who are not nationals of a Member State.

Refugees and stateless persons resident in a Member State are treated as if they are nationals of that Member State. When a person by acquiring the nationality of a non-member State loses his refugee status, he is in the same position as a Community national who acquires the nationality of that third country.

The Commission does not consider this position is unfair, unless it is to be considered unfair that only Community nationals have the right of freedom of movement within the Community.

Nationals of non-member States will however be covered under the 'European Agreement concerning the provision of medical care to persons during temporary residence' concluded between the European members of the International Labour Organization, which was signed on 17 October 1980. It would certainly be helpful if all Member States of the Community ratify this Agreement in the near future.

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Question No 43, by Mr Lomas (H-534/81)

Subject: Food aid to Vietnam

In view of the Commission's stated policy that they do not use food aid as a political weapon, and in view of the need for aid following the typhoons in Vietnam which led to the devastation of towns and destruction of crops, will the Commission as an act of humanity resume the supply of food aid to the Vietnamese people?

Answer

The honourable Member is referred to the answers which the Commission has already given on this subject (Written Question No 334/81, by Mrs Lizin, and Oral Question H-157/81, by Mr Denis, and H-360/81, by Mrs Poirier). There have been no new developments since the Commission answered these questions.

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Question No 44, by Mr Ryan (H-542/81)

Subject: Parliament's resolution of 7 May 1981 on Northern Ireland

What action has the Commission taken in view of the resolution of Parliament of 7 May requesting the Council to join with Parliament in expressing their readiness to offer any assistance that may ease the tensions in Northern Ireland and thereby assist in solving the problems there, and will the Commission take a continuing interest in assisting towards a solution?

Answer

During the debate on the resolution of 7 May 1981 regarding violence in Northern Ireland,¹ the Commission stated that it would employ its structural policies and financial instruments to contribute to improving the economic and social situation in this region.

The Commission refers in detail to its specific action in this field in reply to Oral Question H-547/81, by Mr Hume which is on the agenda of this meeting.

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Question No 45, by Mr Pearce (H-544/81)

Subject: Possible reduction in UK bread price

Does the Commission agree that the price of a loaf of bread in the United Kingdom could be reduced by 2½ p if the levies on imported wheat were abolished and, if so, what steps will it take to remove these levies which only apply to a product (i.e. hard wheat) which cannot be produced in sufficient quantity in Europe to satisfy the British demand for this product?

Answer

Imports of wheat are subject — like the vast bulk of imports into the Community and other States — to import charges. The use of Community wheat in British bread has increased in recent years. The Commission does not expect to take the abnormal step of proposing removal of import charges on wheat and so put at risk a valuable development in the use of domestic wheat, encourage foreign expenditure, and curtail Community revenue.

The Commission is unable to calculate the incidence of the wheat levy on bread, since both use of imported wheat and the levy can vary widely. The Commission prefers to aim at a reduction in the price of bread by reducing the relative cost of Community wheat, and has so proposed in 'Guidelines for European Agriculture'.

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Question No 47, by Mr Hume (H-547/81)

Subject: Resolution of the European Parliament on Community regional policy and Northern Ireland

Is the Commission in a position to respond to the resolution (Doc. 1-517/79) of the European Parliament?

¹ Resolution on violence in Northern Ireland (OJ C 144 of 15 June 1981, p. 90).

Answer

In view of the special difficulties facing Northern Ireland, the Commission welcomed the resolution of the European Parliament of 19 June 1981.¹ It agrees with most considerations contained in this resolution and believes also that Northern Ireland should receive special attention from the Community.

Following adoption of the resolution, the Commission undertook to study Community measures on behalf of Northern Ireland more closely. It will not fail to inform the Parliament of all measures and proposals which are shown to be necessary.

By way of urgent priority, as requested by the resolution and in order to contribute to renewing property assets and to housing restoration, the Commission has proposed in its letter of amendment to the initial draft general budget of the European Communities for 1982 an amount of 28 million ECU to finance a specific measure to assist housing in Northern Ireland within the framework of the Belfast integrated operation.

The Commission will submit a formal proposal to the Council as soon as possible.

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Question No 48, by Mr Dalziel (H-550/81)

Subject: Motor-car prices in the Community

Is the Commission aware of the difficulties being encountered by Community citizens in purchasing a motor vehicle wherever they wish in the Community, and wherever the price is most competitive, in particular that some car manufacturers will not supply righthand drive vehicles to certain countries, thus depriving the Community citizen of his right to buy at the most competitive price, and if so, what is the Commission doing to ensure a genuine common market in motor vehicles?

Answer

The Commission is aware that prospective purchasers from the United Kingdom are often exposed to hindrances when they try to buy a car from dealers in other Member States in order to take advantage of better price offers. There is no obligation under the EEC Treaty on a manufacturer who has decided to market his products generally through importers or dealers, himself to sell directly to final customers. Moreover, under the law as it stands at present authorized dealers in one Member State are not obliged to accept orders for models with specifications required by the law of another Member State where such models are to be registered. The Commission is therefore considering whether it is possible in law and, with regard to competition policy, appropriate to include in the provisions of the planned Commission Regulation relating to motor-vehicle distribution agreements, a condition under which the manufacturer, his importers and dealers are compelled to accept orders for models with any EEC specifications which a European customer might wish to buy.

Furthermore, national laws or administrative practices which hinder the purchase of a motor vehicle in one Member State for use in another may infringe the Community rules on the free movement of goods under Articles 30 and 36 of the EEC Treaty, unless they can be objectively justified on such grounds as health or safety. The Commission is in fact presently examining a number of complaints of this nature and will soon be in a position to decide whether to start proceedings for infringement of the Treaty in these cases.

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¹ OJ C 172 of 13 July 1981, p. 122.

Question No 51, by Mr Clinton (H-559/81)

Subject: Delays in reimbursement

At the October 1981 session of Parliament Commissioner Tugendhat indicated that both Denmark and Ireland had failed to make application for reimbursement for funds available under Article 8.7.1 of the budget. Can the Commission state if this was because no investment had been undertaken or because of administrative delays in claiming the funds? Are there any other areas where funds remained unclaimed for similar reasons in the case of Ireland in 1981?

Answer

Since the adoption of Council Decision 78/640/EEC the Commission has reimbursed expenditure by Denmark and Ireland in accordance with the progress of inspection investment and also on the basis of expenditure for the immediate leasing of certain equipment.

Of the two countries in question, Denmark has now been fully reimbursed for the 10 million EUA covered by the decision. In the case of Ireland, it has received 26.4 million EUA by way of reimbursement, or 57 % of the total amount of 46 million EUA covered by the decision. Projects between 1977 and 1980 are included. As the programme is not due to finish until 31 December 1982, it is obvious that Ireland will have every opportunity to complete its investment programme before that date.

Although the funds have not been used as quickly as planned in the original programme, there is no justification in taking the view that Ireland has failed to make use of the opportunities provided by the Community. By way of reply to the second part of the question, it can be said that estimates of expenditure between now and the end of 1981 indicate that, apart from a restricted number of cases linked to the introduction of new actions, Ireland's record as regards the performance of Community projects will on the whole be very good.

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Question No 52, by Mr Frischmann (H-561/81)

Subject: Current state of relations between the EEC and Turkey

Can the Commission specify how relations with Turkey have evolved since January 1981: credits requested or granted, meetings held in Turkey with Commission and Council experts, projects submitted by Turkey and financed by the institutions? What are the Commission's views on the recent dissolution of Turkey's political parties? Does it not think that this calls for some change in the Community's relations with Turkey? Moreover, in the light of this and other events, what does it think of Parliament's recent resolution demanding suspension of the EEC-Turkey association agreements as long as the military *junta* continues to flout democratic liberties in Turkey?

Answer

1. Since January 1981 the Commission has dealt with EEC-Turkey agreements in line with the positions which it and the Council expressed after the events of 12 September 1980.

A technical explanation about the implementation of the third financial protocol and the special measure, as well as about the various technical contacts which have occurred between Community officials and the Turkish authorities, can be given to the honourable Member directly.

2. The Commission can only repeat what was said in its statement of 12 September 1980 and by its President during the July part-session of Parliament. The Commission is following events in Turkey with a keen interest and attention. It will not be remiss, whenever the opportunity arises, in voicing its concern to the Turkish authorities.

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Question No 54, by Mrs Schleicher (H-563/81)

Subject: Commission policy concerning regional aid measures by the Member States

In view of reports of its alleged intention to ban all regional aid to a number of areas which have hitherto been assisted, will the Commission state whether in fact it is planning to introduce such a ban? Would it be prepared to renounce this intention, and in what way could it support national efforts, to improve over all structures, without causing any distortion of competition?

Answer

The Commission has decided to set in motion the procedure pursuant to Article 93 (2) of the EEC Treaty with regard to certain national regional aid measures and regions in two Member States on the grounds that it has doubts as to whether the measures taken are compatible with the common market.

Once the Member States' views on the Commission's doubts have been received, the Commission will decide whether or not the regional aid measures are compatible with the common market.

The Community uses the structural resources available to it to support the efforts made by Member States to improve overall structures within the terms of the relevant specific provisions. The Commission endeavours to concentrate these resources increasingly on the most serious problems in the Community.

As regards national regional aid measures, the Commission supports national efforts to improve overall structures on condition that these measures do not lead to a distortion in competition which would be contrary to the general interest.

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Question No 55, by Mr Moreland (H-565/81)

Subject: Farm-mixing of animal feedstuffs

In proposing to amend Directive 70/524/EEC to introduce controls for on-farm mixing of medicinal additives in animal feedingstuffs, does the Commission have concrete evidence that such a directive would increase animal health rather than bureaucracy?

Answer

The Commission, together with the nine Member States which support its proposal, is convinced that the measures to control the mixing of medicinal additives will help to bring about a major improvement in animal health protection and will thus improve the quality of animal products available to the consumer.

Although the use of antibiotics, coccidiostats and other medicinal substances has been strictly controlled with regard to the marketing of compound feedingstuffs as a result of Directive 70/524/EEC, it is nevertheless true that until now trade in these additives has been completely free.

This state of affairs has given rise to misuse of these additives by breeders who mix their own feedingstuffs and thus evade all control. A series of complaints about excessive traces of additives in meat, milk and other products prompted the Commission and the Member States to close this loophole by restricting the use of medicinal additives to manufacturers who possess the necessary scientific expertise and technical resources to handle them and to comply with Community regulations and who can be supervised.

It must be remembered that an excessive or improper use of these substances, which are normally added in small doses of a few micrograms, is bound to leave traces which are extremely hazardous to human health. This alone justifies the Commission's proposals.

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Question No 56, by Mr Habsburg (H-567/81)

Subject: Food supplies for Poland

With reference to a statement by Mr Jean-Baptiste Doumeng to *France-Soir* on 14 October, in which he admitted that he was involved in supplying foodstuffs to Poland and emphasized that he had acted without any thought for profit as it was a matter of humanitarian aid, is the Commission at least prepared to state what percentage of the total quantity supplied was allocated to Interagra and, if it once again refuses to reply on grounds of secrecy, on what legal basis does it do so? Does the Commission not realize that secrecy is harmful to the cause in question and to Mr Doumeng in his humanitarian efforts?

Answer

The Commission would like to take this further opportunity to outline clearly its position in this matter. The Commission has been consistent in stating, in previous answers to the honourable Member, that it is not in a position to publish details of the quantities of various products supplied by private firms. This is a question of trade secrecy which can be found in the basic regulations for each product sector for the management of affairs at each meeting of the management committee. The Commission therefore has no intention of ignoring this principle under any circumstances.

As for the specific question of the role of Interagra in the supply of agricultural products to Poland, the Commission would like to stress the fact that it has made every effort to ensure that the sale of these products has taken place under conditions which are no different from those applied to other Community firms. The Commission has in no way favoured a particular firm because they are all in exactly the same position with regard to Community regulations, whether concerning invitations to tender (cereals and sugar) or the creation of special refunds (pigmeat, butter and beef).

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Question No 57, by Miss Brookes (H-568/81)

Subject: Special disability pensions

Will the Commission consider promoting a system of special disability pensions to be paid in all Member States to vaccine-damaged persons from the age of 16-18 and upwards and which Member States do in fact pay these pensions apart from Denmark?

Answer

The Commission does not envisage any specific action to promote a Community-wide system of special disability pensions to vaccine-damaged persons, on the Danish model.

A recent study undertaken for the Commission on social security provision for the longer-term disabled in eight Member States shows up the wide differences in the provision made, even for persons with the same degree of disability, not only between Member States but also within the same country. (Denmark is, for instance, the only Member State where the right to non-means-tested benefits did not originally depend on coverage by contributory insurance.) It is because the underlying philosophies of social security diverge to such a marked extent among the different Member States that selective harmonization of benefits is not considered feasible by the Commission.

As regards the specific policy issues concerning vaccination, the Commission has carried out a study relating to case-law in Member States in this field. The honourable Member is, however, reminded that the Council of Health Ministers on 16 November 1978 indicated that further work regarding vaccination should be pursued within the framework of those international organizations, particularly the OMS and the Council of Europe, which are already active in this field.

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II. Questions to the Council

Question No 60, by Mr Cousté (H-390/81)

Subject: EEC-Japan trade

Does the Council not feel that the absence of any generalized agreement between the Ten and Japan makes bilateral agreements inevitable if the penetration rates of Japanese imports in each of the Member States are to be stabilized at their lowest level?

Answer

The Council considers it essential for problems in trade relations with Japan to be dealt with in the framework of a common strategy.

During 1981 the Council has, with the support of the European Council, defined such an overall strategy covering both specific problems in certain particularly sensitive sectors where Japanese exports have caused the greatest problems, as well as the more general questions of the Community's relations with Japan, notably with regard to the better opening-up of the Japanese market to Community products. In this connection, at its meeting of 26/27 October 1981, the Council was presented with a general programme of action at Community level which the Commission will launch shortly.

While certain special arrangements have arisen concerning cars in particular, it must be stressed that these arrangements fall within the joint approach defined by the Council and help towards achieving the desired aim of effectively moderating Japanese imports in certain sensitive sectors.

The Council could not consider — such is not its policy — that a return to individual, random actions in respect of Japan would be a good or effective policy.

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Question No 62, by Mr Flanagan (H-349/81)

Subject: EEC commitment to resolving the refugee problem

Does the Council consider that the European Community has clearly demonstrated its commitment to resolving the refugee problem, particularly in areas such as Africa where over half the world's refugee population is located?

Answer

The Council is fully aware of the gravity of the refugee problem and of the responsibility which the Community shares in this connection with the rest of the international community both in Africa, which currently has the largest number of refugees, and in other parts of the world. It considers that the Community has fully observed its moral and political commitment to contribute to aid for refugees.

The President-in-Office of the Council thus played an active part in the International Conference on Assistance to Refugees in Africa, organized by the United Nations in April 1981 in Geneva, during which the 99 governments taking part and the international organizations concerned, including the Community, undertook to contribute more than USD 560 million in response to the needs of refugees in Africa.

The Council authorities have examined ways of coordinating bilateral and Community aid in order to improve their effectiveness in re-settling refugees.

At the present time and without prejudice to the bilateral assistance of the Member States, the Community is involved in helping refugees on the threefold level of emergency aid, medium-term aid and more structural aid to rehabilitate refugees.

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Question No 66, by Mr Hutton (H-464/81)

Subject: New common policies and powers

The communiqué of the Paris Summit meeting of December 1974 states that 'The heads of Government consider it necessary to increase the solidarity of the Nine... by developing new common policies in areas to be decided on and granting new powers to the institutions'.

Which new common policies have been developed since then; what new powers have been granted to any institution, save for the 1975 Treaty on the budget; when will the Council adopt new common policies on the basis of Commission proposals; and will the Council take full account of the Paris decision in considering the resolutions adopted by Parliament in July 1981?

Answer

The Council has indeed introduced new policies since 1974.

I would cite as examples

- the European Monetary System,
- financial and technical aid to the non-associated developing countries,
- loans to promote investments in the Community,
- consumer protection,
- the environment,
- the common organization of the market in sheepmeat.

As for 'granting new powers to the institutions', the Council believes that one cannot leave the 1975 Treaty out of account here as it provides for a considerable increase in the budgetary powers of the European Parliament, powers of which the Parliament has moreover made substantial use.

The Council is currently examining the Commission's report on the mandate of 30 May which concerns the elaboration of a number of measures. It will study any proposals from the Commission as soon as it receives them.

Finally, the Council has examined those resolutions adopted by the European Parliament in July 1981 which concern the Council, and it made known its initial reactions at the meeting yesterday evening between its members and the Enlarged Bureau of your Parliament.

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Question No 67, by Mr Bonaccini (H-475/81)

Subject: The textile industry

In view of the disquieting decline in the production situation in various branches of the textile and clothing industry, can the Council state what specific measures it intends to propose and adopt within its field of competence to remedy the situation?

Answer

Very early this morning the Council adopted the negotiating directives which supplement those on the renewal of the Multifibre Arrangement which were adopted in July. These new directives will allow the Commission to start talks with the countries with low production costs on the bilateral agreements which are due to come into force when the current agreements expire at the end of the year.

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Question No 68, by Mr Purvis (H-480/81)

Subject: Coal gasification and liquefaction

What steps is the Council taking to ensure continuity in the Community's research and development programme for coal gasification and liquefaction, in order that these techniques may make their contribution to reducing the Community's dependence on imported energy carriers as soon as possible?

Answer

At its meeting on 27 October 1981, the Council held a detailed discussion on the Commission's proposals for increasing financial support for projects to exploit alternative sources of energy, including the liquefaction and gasification of solid fuels, as referred to by the honourable Member, and for demonstration projects for saving energy.

At the close of this discussion, the Council did not take a decision but noted that the Commission would be submitting its suggestions as soon as possible as to how it intended to use a 105 million ECU increase in the financial ceilings.

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Question No 69, by Mr Galland (H-491/81)

Subject: Incompatibility of French nationalization measures with the Treaty of Rome

Article 3 (c) of the Treaty of Rome provides that the activities of the Community shall include: 'the abolition, as between Member States, of obstacles to freedom of movement for persons, services and capital'. This principle of the free movement of capital has been disregarded by the French Government in its decision to nationalize three companies: CII Honeywell Bull, ITT France and Roussel Uclaf — 'notable for their large foreign shareholdings' (Nationalization Bill tabled by Mr Pierre Mauroy on 23 September 1981). In these circumstances does the Council intend to ask the French Government to comply with Article 3 (c) of the Treaty of Rome concerning the free movement of capital, and withdraw its plan to nationalize these three companies?

Question No 72, by Mr Calvez (H-503/81)

Subject: Incompatibility of French nationalization measures with the Treaty of Rome

Article 52 of the Treaty stipulates that 'restrictions on the freedom of establishment of nationals of a Member State in the territory of another Member State shall be abolished by progressive stages in the course of the transitional period. Such progressive abolition shall also apply to restrictions on the setting up of agencies, branches or subsidiaries by nationals of any Member State established in the territory of any Member State'. The French Government's decision to nationalize all credit institutions, with the exception of existing foreign banks is an evident violation of Article 52 of the Treaty and seems to suggest that the banking system is to be frozen. In these circumstances, has the Council asked the French Government whether new foreign banks will be able to establish themselves in France?

Answer

It is not for the Council but for the Commission to consider whether the planned nationalization, to which the honourable Members refer, complies with the Treaties.

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Question No 71, by Mr Demiau (H-500/81)

Subject: Adaptation of the green currencies

Could the Council indicate what obstacles stand in the way of the adjustment of all green currencies affected by the recent adjustment of the European Monetary System? Is the Council not aware that the retention of positive or negative compensatory amounts constitutes a distortion of competition which has a harmful effect on the freedom of movement of agricultural products?

Answer

Certain changes were made in the central rates of Community currencies under the European Monetary System with effect from 5 October 1981, entailing the introduction of monetary compensatory amounts or increases in such amounts for some Member States. In France's case the Council decided to amend the exchange rate applicable in agriculture so as to avoid reintroducing a compensatory amount for France.

When events such as these occur the Council confines itself to taking the decisions required in the immediate future. Problems posed by the green exchange rates and the monetary compensatory amounts as a whole are considered at a later date, in particular at the time of the agricultural price discussions.

The Council is aware of the effects of compensatory amounts on the movement of agricultural products and confirms its intention, as already stated on various occasions in the past, of gradually phasing out existing monetary compensatory amounts while taking due account of the prices policy.

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Question No 73, by Mrs von Alemann (H-507/81)

Subject: Improving the balance between men and women in responsible positions

At its meeting of 10 June 1981 the Council took note of the Commission's report on the state of progress in implementing Directive 76/207 of 1976. On that occasion it expressed the wish that encouragement be given to improving the balance between men and women at the different levels of responsibility, particularly in the Community's institutions. Can the Council say with what measures it proposes to give substance to this wish, specifying whether action is to be taken at Community or national level?

Answer

When taking note of the Commission's report on the state of progress in applying the principle of equal treatment for men and women on 10 June 1981, the Council arrived at a number of conclusions which include the wish referred to by the honourable Member. That wish should be seen in the context of those conclusions which state in particular that Community measures, especially the directives adopted by the Council on equal treatment for men and women, have made an effective contribution to the implementation of a process aimed at abolishing sex discrimination.

This process will also no doubt have an effect on the numbers of women in different positions of responsibility in Community bodies.

In any event, current recruitment and promotion procedures for officials of the European Communities are fully in accordance with the principle of equal treatment for men and women.

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Question No 74, by Mr de Lipkowski (H-509/81)

Subject: Free movement of capital

Since some Member States have been induced to take measures detrimental to the free movement of capital, does the Council not agree that this constitutes yet another obstacle to the free movement of

capital, and that this objective, long enshrined in the Treaties, is unlikely to be achieved in the near future?

Answer

Unfortunately it has not yet been possible to liberalize capital movements as provided for in Article 67 of the EEC Treaty. A first step in this direction was taken by the directives of 11 May 1960 and 18 December 1962. The Council is aware of the need to continue the process but is also conscious of the difficulties in this sphere.

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Question No 79, by Mr Vié (H-518/81)

Subject: Liability in respect of defective products

Has Coreper adopted a position on the report by the Economic Affairs Working Party on maximum liability, producer liability for material damages and development risk, has it considered the European Parliament's opinion on this matter and, in particular, does it intend to endorse paragraphs 1 and 1 A thereof which, in certain circumstances, exempt producers from liability in respect of development risk?

Answer

The amended proposal for a Council Directive on the approximation of the laws, regulations and administrative provisions of the Member States concerning liability for defective products is still under discussion within the Council which has at present not taken any final stand on the three problems referred to in the oral question by the honourable Member.

During the deliberations which have taken place so far the attention has on several occasions been drawn to the opinion from the European Parliament of 26 April 1979 as well as the European Parliament resolution of 23 May 1980.

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Question No 80, by Mr Geurtsen (H-521/81)

Subject: Summary of proposals from the Commission on which the European Parliament has delivered an opinion now pending before the Council (SEC(81) 1336 final)

Has the Council taken note of the list of Commission proposals on which Parliament has delivered its opinion and which are pending before the Council, as set out in Commission document SEC(81) 1336 final? What does the Council propose to do to reduce this unacceptably long list to manageable proportions?¹

Answer

The Commission regularly draws up a list of its proposals pending before the Council.

As it stated in its reply to a question by Mr Marshall in April 1981, the Council acknowledges that in some cases there may be a considerable delay between submission of a Commission proposal and the European Parliament's Opinion on the one hand and adoption of a Council decision on the other.

¹ See also the same author's Written Question to the Commission No 1265/80 in OJ C 329 of 16 December 1980, p. 19.

Discussions on some of these proposals are continuing in the Council. However, the complex and technical nature of the proposals means that work on them is not yet completed.

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Question No 82, by Mr Fergusson (H-532/81)

Subject: Implementation of the Zagari report — Seat of the institutions

Will the Council agree to act as interlocutors between the European Parliament and the Member States to resolve the question of the definitive seat of the institutions of the European Community and will they initiate the conciliation procedure, called for in the Zagari report, adopted by Parliament on 7 July 1981?

Answer

Article 216 of the Treaty establishing the European Economic Community and the corresponding articles in the other Treaties confer on the governments of the Member States alone the power to determine by common accord the seat of the Community.

The Council therefore considers it to be no part of its function to act as intermediary between the governments of the Member States and the European Parliament.

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Question No 83, by Ms Clwyd (H-535/81)

Subject: Unemployed persons in Britain

Would the Council agree that the unemployed person in Britain is considerably poorer than his or her counterpart in most of Europe?

Answer

The schemes applicable to unemployed persons in the Member States form an integral part of the existing social security systems and cannot be assessed in isolation.

The Council is therefore unable to comment on the question put to it.

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Question No 84, by Mr Hopper (H-537/81)

Subject: Harmonization of excise duties on alcoholic drinks

The European Parliament is about to draw up an opinion on the Commission's proposal in this field (COM(79) 261 final). Will the Council transmit to Parliament the Commission's later, unpublished, revised proposals and the Council Presidency's compromise text?

Answer

The Commission has not revised its compromise proposals on excise duties on alcoholic drinks contained in COM(79) 261 final.

As these Commission proposals had failed to obtain the Member States' agreement, successive Council Presidencies have submitted other compromise proposals. Unfortunately, these proposals have meanwhile been superseded since, at its meeting on 21 October 1981, the Council was obliged to conclude that it was not possible for it to reach agreement on the matter.

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Question No 85, by Mr Ryan (H-541/81)

Subject: Parliament's resolution of 7 May 1981 — Northern Ireland

What action has the Council taken on view of the resolution of Parliament of 7 May last requesting Council to join with Parliament in expressing their readiness to offer any assistance that may ease the tensions in Northern Ireland and thereby assist in solving the problems there and, and will the Council take a continuing interest in assisting towards a solution?

Answer

As the Council said in reply to Question No H-203/81 from Mr Blaney, the Council, like the other institutions of the European Communities, can only act within the limits of the powers conferred on it by the Treaties. That is to say, the Council acts on the proposals of the Commission. Northern Ireland has received and continues to receive various forms of economic aid from the Community under the existing instruments and the relevant procedures. The Council will of course consider any proposal the Commission makes for action in this area.

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Question No 86, by Mr Marshall (H-545/81)

Subject: Cyprus

Can the Council indicate the result of the discussions on Cyprus at the meeting of the Foreign Affairs Council held on 26 and 27 October and can he also indicate the results of the meeting of the Association Council?

Answer

At its 7th meeting, at ministerial level, on 27 October 1981, the EEC-Cyprus Association Council considered in particular the trade arrangements to be applied in the years 1982/1983 in the framework of the decision adopted on 24 November 1980 establishing the arrangements for moving into the second stage of the Association Agreement.

At its meeting on 26 October the Council had to conclude that it was still not possible to reach agreement on the directives to the Commission for this purpose. Discussions will continue within the Council in order that they can be adopted as soon as possible.

The Community informed the Cypriot delegation of this situation and said that it was aware of the importance of implementing the Decision of 24 November 1980. The Cypriot delegation, for its part, indicated that for 1982/1983 it expected substantial improvements to existing arrangements, particularly as regards agriculture.

Finally, I would point out that the Association Council has noted the progress made in the last 12 months with regard to financial cooperation and the development of trade.

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Question No 87, by Lord Douro (H-549/81)

Subject: Spanish accession to the European Community

In view of the statement by Mrs Edith Cresson, a member of the French cabinet that the Socialist Group in the French parliament would vote against Spain's entry into the Common Market, is it still the official policy of the Council that Portugal and Spain will be welcomed into the Community on 1 January 1984?

Answer

The Council's policy on the accession of Spain and Portugal has never varied. Confirmation of this was given to the governments of the two countries concerned at the recent ministerial meetings in July and October. The President of the Council reiterated that the Community's political commitment to the accession of democratic Spain and Portugal to our community of democratic States remains intact and that the Community intends to do all in its power to attain that objective.

It would not be wise, in complex negotiations which must of necessity take account of the important debate within the Community under the mandate of 30 May, to set a target date for the end of the negotiations and the Council, as such, has never adopted a position on such a date. What matters is that the Community's political commitment should be translated into deeds and in this respect, significant progress has been made in the negotiations of late.

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Question No 88, by Mrs Lizin (H-553/81)

Subject: Nuclear power stations located at frontiers

Can the Council state whether the regulation, concerning the institution of a consultation procedure, proposed by the Commission, was discussed in the Council on energy in November and whether the initial proposal was amended?

Answer

The Council did not resume its discussion of this question at its meeting on 27 October 1981, but agreed to do so at its next meeting on energy matters. No decision, therefore, was taken concerning a possible amendment of the Commission's original proposal.

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Question No 89, by Mr Clinton (H-558/81)

Subject: Fall in agricultural incomes

In reply to Oral Question H-449/81¹ during the October session of Parliament, the Commission indicated in effect, that no further action would be taken to halt the serious decline in farmers' incomes. Will the Council, being aware of the 50% drop in agricultural incomes in Ireland and the potentially more serious decline in output, request the Commission to bring forward measures to deal with this situation and comply with their responsibility under Article 39 of the Treaty?

Answer

The problem of the fall in agricultural incomes, particularly in Ireland, is a matter of concern to the Community.

¹ Verbatim report of proceedings of 14 October 1981.

It is the task of the Commission to propose the requisite measures for achieving the objectives of Article 39 of the Treaty, in particular to ensure a fair standard of living for the agricultural community by increasing the individual earnings of persons engaged in agriculture, and to submit suitable draft measures of projects to the Council for this purpose.

The Commission endeavours to do this mainly when making its general proposals on agricultural prices for each marketing year (the milk and beef years begin on 1 and 5 April 1982).

Once it has received the price proposals for the next marketing year the Council will ask Parliament to deliver a considered opinion on this matter.

The Council will decide these prices and the various related measures in the light of this opinion and following negotiations on both the political and the economic and social aspects of the problem, as is its practice every year.

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III. QUESTIONS TO THE FOREIGN MINISTERS

Question No 92, by Miss Quin (H-433/81)

Subject: Health problems experienced by EEC tourists in Romania

Have the Ministers discussed the problems of tourists from EEC countries who have experienced sickness while holidaying in Romania — particularly at the Black Sea resort of Mamaia — this year? If so, do they plan to make a joint approach to the Romanian authorities with a view to ensuring that the causes of this problem (which has also occurred in previous years) are effectively tackled?

Answer

The Ten have not discussed this particular problem. However, certain national health authorities from among the Ten have consulted on the problem, and have also consulted the World Health Organization.

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Question No 97, by Mr Collins (H-434/81)

Subject: Persecution in Ethiopia

Are the Foreign Ministers aware of the persecution in Ethiopia of members of the Mekane Yesus church and members of other churches? Are they aware of the fact that church and political leaders in Ethiopia frequently 'disappear' and are held without trial and without charges being made and can they say whether they will make representations to the Ethiopian Government to have this torture and persecution ended?

Answer

As explained in the answer to Question No 357/81 by Mrs Ewing, the opposition of the Ten to violations of human rights, wherever they may take place, is well known and has often been emphasized. The Ethiopian Government is well aware of our attitude which has been made clear bilaterally by individual Member States of the Ten, as well as in the United Nations and other fora. We shall continue to pursue this approach until the human rights situation in Ethiopia improves.

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Question No 103, by Mr Cousté (H-498/81)

Subject: Saudi Arabia's initiative aimed at resolving the conflict in the Middle East

What is the Foreign Ministers' assessment of the initiative taken by Saudi Arabia with a view to reaching a settlement of the conflicts in the Middle East?

Answer

As explained to Mr Calvez in reply to his question on 14 October, the Ten have welcomed the eight principles proposed by Crown Prince Fahd of Saudi Arabia as a positive contribution to the search for a Middle East settlement. We hope that they can be widely endorsed. The President-in-Office of the Ten discussed them in detail with the Saudi authorities in early November.

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Question No 106, by Mr Ryan (H-540/81)

Subject: Neutral countries

Do the Ministers fully appreciate the desirability of the European Community not presenting to the rest of the world an image of a Community which could give the impression that it constitutes a military bloc which could menace others? Do they consider that the objective of strengthening European solidarity would be helped by the accession of neutral countries such as Switzerland, Sweden and Austria to the Community and, if so, will they be especially careful not to be involved in decisions or actions which could embarrass neutral States, whether they be at present or may sometime in the future be members of the Community?

Answer

The Ten are not a military bloc and would not wish to be seen as one. In coordinating their foreign policy the Ten always accord appropriate weight to the views and sensitivities of their close friends, such as those countries referred to by the honourable Member.

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Question No 107, by Mr Adam (H-556/81)

Subject: Release of Yuri Lituin

Will the Foreign Ministers, acting in political cooperation, intercede with the Soviet Government for the release of Yuri Lituin, a Ukrainian writer and translator, who is currently serving a three-year sentence in a labour camp for his human rights activities?

Answer

Although the Ten have not discussed the particular case of Mr Lituin they have frequently raised the treatment of human rights activists in the Soviet Union both at the CSCE Review Meeting in Madrid and elsewhere. They will continue to press for the fulfilment by the Soviet Government of the humanitarian obligations set out in the Helsinki Final Act, to the benefit of those against whom measures have been taken simply because they have exercised their right and responsibility to promote the effective observance of human rights.

IV. QUESTIONS TO THE COMMISSION (*continuation*)

Question by Mr Bocklet (H-495/81, formerly 0-39/81)

Subject: Use of fruit and vegetables withdrawn from the market

It is frequently alleged in public that EEC funds are being used to destroy foodstuffs in the Community. It is said that regular use is being made for this purpose of appropriations intended for the support of Mediterranean products. Accusations of this kind are likely to harm the Community's image. There is therefore a particular need to make known the true facts.

1. Which fruit and vegetable products receive Community support?
2. What justification is there for these support measures?
3. What form does the support for individual products take?
4. What proportion of the total production in these sectors receives Community support?
5. Are all available transport, sales and distribution possibilities being used to dispose of surpluses in specific sectors and regions of the Community or are transport costs and other difficulties unacceptably great in relation to sales revenues?
6. What has been done up to now with the quantities withdrawn from the market under the support arrangements?
7. Is there any possibility of using the products withdrawn from the market as food aid in the areas hit by serious food shortages?
8. How much has the Commission spent to date on destroying products in this sector?
9. What is the relationship between the intervention price and production costs, and to what extent is this price designed to alleviate social hardship, particularly in those areas where existing production structures can be changed only in the longer term?
10. Is the necessary restructuring being carried out in the Mediterranean area or is investment still being made to strengthen existing structures and increase production?

Supplementary answer

Products withdrawn from the market (with breakdown of use)

			1975/76	1976/77	1977/78	1978/79	1979/80
Cauliflowers	Quantity withdrawn	1 000 t	21	13	37	43	41
	Free distribution	%	0.3	4.5	1.9	9.9	0.8
	Animal feedingstuffs	%	9.2	13.9	32.1	18.3	13.9
	Not used	%	90.5	81.6	66.0	71.8	85.4
Tomatoes	Quantity withdrawn	1 000 t	136	21	21	20	197
	Free distribution	%	2.4	5.5	7.3	10.9	2.5
	Animal feedingstuffs	%	7.6	51.9	45.2	42.5	18.9
	Not used	%	90.0	42.6	47.5	46.6	78.6
Peaches	Quantity withdrawn	1 000 t	35	357	60	38	111
	Free distribution	%	5.7	3.1	6.8	13.6	7.6
	Animal feedingstuffs	%	0.4	0.2	0.4	0.4	0.2
	Distillation	%	19.5	37.1	35.5	70.8	54.5
	Not used	%	74.4	59.6	57.3	15.2	37.7
Pears	Quantity withdrawn	1 000 t	176	330	42	27	54
	Free distribution	%	2.8	2.6	4.0	5.4	3.3
	Animal feedingstuffs	%	6.9	19.6	2.6	32.5	39.9
	Distillation	%	86.3	71.1	93	61.3	44.6
	Not used	%	4.0	6.7	0.4	0.7	12.2
Apples	Quantity withdrawn	1 000 t	830	167	3	392	549
	Free distribution	%	1.6	2.9	14.0	3.7	9.7
	Animal feedingstuffs	%	17.3	13.5	4.3	56.8	53.2
	Distillation	%	37.1	81.2	81.7	32.6	30.0
	Not used	%	44.0	2.4	0.0	6.9	7.1
Table grapes	Quantity withdrawn	1 000 t	—	1	0.0	0.0	—
	Free distribution	%	—	88.0	0.0	0.0	—
	Animal feedingstuffs	%	—	2.1	0.0	0.0	—
	Not used	%	—	9.9	0.0	0.0	—
Mandarins	Quantity withdrawn	1 000 t	43	37	28	53	78
	Free distribution	%	12.2	25.3	9.9	14.7	14.9
	Animal feedingstuffs	%	44.0	21.3	12.6	7.7	7.7
	Not used	%	43.8	53.4	77.5	77.6	77.4
Oranges	Quantity withdrawn	1 000 t	44	322	18	105	3
	Free distribution	%	42.0	15.9	24.7	3.3	37.3
	Animal feedingstuffs	%	3.9	7.0	28.6	30.3	0.0
	Processing	%	6.7	2.9	26.6	3.2	0.0
	Not used	%	47.4	74.2	20.1	63.2	62.7
Lemons	Quantity withdrawn	1 000 t	11	56	0.0	25	—
	Free distribution	%	33.5	5.7	0.0	9.5	—
	Animal feedingstuffs	%	0.0	0.9	0.0	0.0	—
	Not used	%	66.5	93.4	0.0	90.5	—

SITTING OF THURSDAY, 19 NOVEMBER 1981

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IN THE CHAIR: MRS VEIL

President

*(The sitting was opened at 9.30 a.m.)*¹

1. Topical and urgent debate

President. — I call Mr Prag.

Mr Prag. — Madam President, I rise on a point connected with today's agenda. I notice that the motion for a resolution tabled by myself and others on committees of this Parliament is placed last on the agenda, which means that it is almost certain not to be reached.

Now, Rule 48 says that in drawing up the list of motions, the President should ensure that, during a part-session, a balance is maintained between the requests from the political groups and those from individual Members. It is quite clear that this balance has not been maintained, because all the other motions except one, which comes from a committee, come from political groups. So I submit, first, that that rule has not been observed and, secondly, that the actual terms of the motion which we submitted objecting to the exclusion of this motion in the first place are also not being respected. That motion said:

We oppose the decision on the list of subjects for topical and urgent debate and move that the motion for a resolution by Mr Prag and others (Doc. 1-758/81/rev.) be included as the third topic in the list of topics to be debated on Thursday evening, 19 November.

And that was voted on by the Parliament, Madam President. So may I submit that we do as that motion says and move it to third place?

(Applause from various quarters)

President. — Mr Prag, if you wanted to have the order of these motions for resolutions changed, you should have made your request earlier. The decision was made yesterday on the adoption or rejection of the motions. Your request is no longer permissible today.

I call Mr Enright.

Mr Enright. — In fact we did modify the agenda yesterday, Madam President. The terms of the resolution, as Mr Prag pointed out very clearly, were that

should be numbered three on the agenda. That was passed by this House by a substantial majority, so it should therefore go third.

(Applause from various quarters)

President. — I call Mr Bangemann.

Mr Bangemann. — *(DE)* In accordance with the Rules of Procedure, Madam President, the House can decide only if an urgent motion is to be placed on the agenda. This happened yesterday. But the Rules of Procedure say nothing about voting on the order of motions. For this reason Mr Prag's request is inadmissible.

President. — Mr Prag's request is not admissible at this point. The matter will be raised this evening at the beginning of the topical and urgent debate.¹

2. European Union

President. — The next item is the statements by Mr Genscher, Foreign Minister of the Federal Republic of Germany, and Mr Colombo, Foreign Minister of the Italian Republic, Members of the Council, on European Union.

I call Lord Harmar-Nicholls on a point of order.

Lord Harmar-Nicholls. — Madam President, I did give you notice that I would be raising this point of order this morning and thank you for recognizing it.

The words I use are in no way prompted by any lack of respect for the eminent visitors who are going to make a statement later on, but I did want to ask who gave authority for this change from the normal procedures, because I believe it is a change which is, in the long term, to the detriment of Parliament itself. There are three qualifications for speaking in this Parliament. The first is that you are an elected Member, the second that you are a Member of the Commission and the third that you are the spokesman for the nation currently holding the presidency for a period of six months. Now these two eminent gentlemen, whom we respect very much and whose great achievements we admire, do not fall into any one of these three categories.

I believe that the Bureau and my noble friend Lord Carrington, who apparently acquiesced in this, have

¹ *Approval of minutes — Documents received: see Minutes.*

¹ *Decision on requests for an early vote: see Minutes.*

Harmar-Nicholls

made a mistake that ought not to be repeated in the future. The minute this Parliament ceases to be exclusive, it ceases to maintain its power. I believe that as soon as we stop it being exclusive and confined to the three categories I have mentioned, we are weakening our chances of getting the extra powers we need as a Parliament.

We must not be discourteous to our visitors this morning and we must, of course, abide by the invitation that the Bureau has extended to them. Nevertheless, I would hope that the Bureau, and whoever has the authority to do so, will look at this procedure in the future, maintain the exclusiveness of Parliament in the interests of Parliament itself and ensure that no one, however eminent, is allowed to speak while Parliament is in session. Make arrangements for us to meet them out of session, but preserve Parliament's exclusiveness! It will eventually get wider powers and justify a long-term existence. Remove its exclusiveness, however, and all that will go by the board.

(Cries and laughter)

President. — Firstly, let me say that Rule 40 of the Rules of Procedure states:

Members of the Commission and the Council and the Foreign Ministers meeting in political cooperation may at any time ask the President for permission to make a statement.

(Applause)

Secondly, we were informed by the President-in-Office of the Council that he had no objection to these statements.

Thirdly, these statements were included on the agenda. If you wanted to change it, you should have submitted your request on Monday when the agenda was drawn up.

(Applause)

I call Mr Genscher.

Mr Genscher, Member of the Council. — *(DE)* Madam President, ladies and gentlemen, I should like to thank you for giving me this opportunity to come and present the proposals of the Federal German Government on the development of the European Community towards European Union to this House. Of course, Madam President, it is not up to me to judge whether Parliament would be well advised not to get involved in this initiative right from the outset.

(Laughter and applause)

The Federal German Government has formulated its initiative in coordination with the Italian Government.

The draft European Act has been submitted in the form of a joint German-Italian proposal to the governments of the other Member States, to the President of this House and to the President of the Commission of the European Communities.

We hope that this initiative will receive the active support of the European Parliament which, in the opinion of the Federal German Government, has a central role to play in progress towards European Union. I would therefore ask you to give it your support.

(Applause from various quarters)

The European Community is now in the most economically difficult situation since it was founded. The real national product is expected to fall this year by some 0.5%, inflation will rise to something like 11.5% and the number of people unemployed reached the 9 million level in July and is still rising. Of those 9 million unemployed, 4 million are less than 25 years of age. In 1980, the Community had a foreign trade deficit of almost 120 DM thousand million, and our deficit with our main industrial competitors, the USA and Japan, was 45 DM thousand million and 20 DM thousand million respectively. There can be no doubt whatsoever that our countries will only be able to survive this major economic challenge by standing together.

Madam President, the economic problems we are facing now strike at the very economic root of the European Community and of our democratic systems. But despite this, we must not concentrate our efforts exclusively on economic issues. We must set our sights on the great goal of the political unification of Europe, because it is from this goal that we shall derive the strength to act in a spirit of solidarity and to take decisions — including economic decisions — which amount to more than just make-do-and-mend, but which are genuinely forward-looking solutions — in other words, decisions which do not get stuck in the kind of national self-seeking of which we are all guilty, my own country included. We must find a dynamic way to take us out of and beyond the crisis.

Everything we have achieved so far in the construction of Europe has been rooted in the longing for a united Europe. Neither the European Coal and Steel Community nor the European Economic Community nor the European Atomic Energy Community were ever intended to be economic communities pure and simple; they have always been regarded as stages along the path towards a united Europe. The widespread hope that economic constraints would automatically bring about political unification proved to be illusory. The fact is that Europe cannot be a technocratic entity — what is needed is action on our part. The economic constraints are today greater than ever. As a result of difficult conflicts on agricultural prices and surpluses, fishing, net contributions to the budget and national

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subsidies, there is a danger of the European Community foregoing not only the commitment, but also the approval of its people.

It is therefore time for political reflection. The great aim of political unification, European Union, must once again become a central element in discussions within the European institutions and among the European public. That is the aim of the joint German-Italian initiative on European Union. What we are trying to do cannot take the place of the efforts needed to solve our current economic problems, but it must be a complementary, supplementary factor to add a definitive political dimension.

Our initiative is based on three main elements. Firstly, it is intended to give prominence to the general political aim of European unification in the eyes of all of us. European activity takes place in five main areas: the European Economic Community in Brussels, European political cooperation, the European Council, the European Parliament and the European Court of Justice.

Once completed, European Union will become a special kind of entity not covered by the traditional concepts of the federal State or the confederation of States. The European Act we are now proposing therefore sets out to formulate the aim of European Union for this many-faceted process of the unification of European activities. It is intended that the Member States commit themselves to this goal in the form of a declaration of major political importance.

Secondly, the European Act is intended as a general framework for the five main institutional spheres of cooperation. Our aim here is to consolidate what has already been achieved, to formalize and ratify unwritten practices in the sphere of cooperation and to give an impetus for the further development of what already exists; last but not least, we want to improve the coherence of the institutions' mutual relations.

The Act therefore comprises proposals on such things as extending European political cooperation, and it also calls for the decision-making structures of the European Community and of European political cooperation to be consolidated under the aegis of the European Council. To ensure that Europe remains externally viable, it is essential that European political cooperation foreign policy and European Community external economic policy be integrated into a coherent and comprehensive European policy.

We attach special importance to greatly improving cooperation and the dialogue between the European Parliament, the European Community, European political cooperation and the European Council, as well as to strengthening Parliament's participation and watchdog functions. We have therefore taken up a number of Parliament's demands and have tried to go along with them to the extent to which that is possible

without amending the Treaties. What is at issue here is the democratic legitimacy of the Community. A strong Parliament is a powerhouse for European unification and a centre of European consciousness.

(Applause from various quarters)

I should like to add on behalf of the Federal German Government that we are hoping for additional suggestions from the European Parliament in precisely this sphere, and we shall be pleased to take any such suggestions into account in the deliberations of the Council of Ministers. Another important aim is to improve the decision-making processes in Europe.

(Applause from various quarters)

In particular, we have advocated making the majority decisions provided for in the Treaties in the Councils of Ministers the rule once again and relegating the appeal to 'vital interests' to an exception to this rule.

Thirdly, the aim of everything I have discussed so far is to consolidate what has already been achieved in the process of European unification and to exploit to the full the inherent opportunities for further development. It is also intended to give some impetus towards including important new sectors in European cooperation. For instance, foreign policy cooperation should include questions of security policy. It is particularly important at this time for the voice of Europe to be heard more clearly.

We realize that we must proceed with caution in this particular area. But we believe the inclusion of the political and economic dimensions of European security in the nascent common foreign policy to be absolutely indispensable. What we mean by this is firstly, point analysis of global and regional factors endangering the security of the Community; secondly, the development of active global policies on the part of the Ten designed to counter such dangers and to help guarantee the economic security of the Community and our supplies of energy and raw materials; thirdly, improving the ability of the Ten to coordinate their response with others to crises in the world in line with our common interests; fourthly, finally and above all, the development of a constructive, pan-European policy on the part of the Ten which, despite the division of our continent into two power blocks, will lead — via dialogue and cooperation, confidence-building, arms control and disarmament to an agreed level of stability on the basis of a balance of power — to a European peace for which it will be the job of that policy of ours to develop the political and economic dimensions.

As far as we are concerned, Europe does not stop at the Community frontiers; nor does it stop at the frontiers of the Member States of the Council of Europe. The fate of Europe is shared by all the peoples of Europe.

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(Applause from various quarters)

Despite all the ideological differences, it is up to us to accept this Europe as our great mission of peace. The passionate belief of the young generation — and not only the young generation — in peace is a sign of a European identity which is growing despite the different political systems and despite the fact that this sentiment can be articulated more clearly in the European democracies than in the other countries on our continent. This form of European identity is on the increase everywhere.

The encroachment of the foreign policy of the Member States of the European Community into the field of security policy must always go hand-in-hand with close and trusting cooperation with the North American democracies, with which we are linked in the Atlantic Alliance and with which we share the same values and the same commitment to freedom.

(Applause)

Allow me to add at this juncture, ladies and gentlemen, that there is little point in Europeans complaining that too little attention is being paid to their interests if we are incapable of getting together to define what those interests are.

(Applause)

The speech given yesterday by President Reagan was an impressive commitment on the part of the American President to the shared values and security concerns of the Northern Atlantic Alliance. President Reagan expressly underlined the United States' desire for peace and willingness to negotiate, and put forward certain specific proposals on disarmament and cooperation which we wholeheartedly support.

As a result, we now have a chance to reach realistic agreements aimed at keeping the peace. We appeal to the Soviet Union to take these proposals seriously and to respond favourably to them.

(Applause)

The second sphere of activity we must tack on to European cooperation is the cultural sphere. By way of close and systematic cultural cooperation, we can make the people of our Member States aware of European culture and thus go a long way towards making people more aware of a specifically European identity and thus improving the cohesion of Europe. The idea of a European Foundation is one we should at long last bring to fruition.

The third sphere — harmonization and standardization of extensive areas of the Member States' jurisprudence — would strengthen our common concept of the law. This kind of cooperation within the Council of Ministers of Justice is of particular import-

ance in view of the positively pro-Community effect of the establishment of a single European legal space.

The fourth sphere in which we are calling for the exploration of virgin territory is what I would call European cooperation on questions to do with internal security and in particular the fight against trans-frontier crime and terrorism.

Reasonable progress in this sphere of cooperation would at the same time bring us closer to the important goal doing away with checks on cars and people at our border crossings.

(Applause)

The removal of frontier barriers along these lines would be the best possible way of bringing the idea of Europe home to the people of Europe in their everyday lives.

(Applause)

The German-Italian initiative also includes a draft declaration on questions of economic integration, setting out suggested common policy aims such as an efficient internal market, increasing economic convergence, closer coordination of economic policy, the further development of the European Monetary System and completion of the southerly enlargement of the Community. This is not intended to prejudice the negotiations in Brussels on the mandate, but merely to underline the overall links between all sectors of the European unification process.

Madam President, ladies and gentlemen, I hope that you will be sympathetic to the aims of the German-Italian initiative. In fact, I should imagine that the main criticism which is likely to be forthcoming from this House is that our draft European Act does not go far enough.

(Applause from certain quarters)

However, we should not underestimate the effects of this initiative. If our proposals were to be approved and implemented by the Member States, we should have taken a step forward on the road to European Union which could have a cumulative effect and develop a momentum of its own to make further progress possible.

We have deliberately confined our draft European Act to proposals which we believe are capable of producing a consensus among the Member States in the present circumstances. Rather than saying what we should like to see happen, we have tried to formulate what we believe to be feasible. We have learnt from past failed initiatives that unification can only be achieved as a result of a continuous, step-by-step approach and that any premature attempt to make a

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great leap forward is more likely to put us back to a point behind our original starting point.

Had we been prepared to set down what we should like to see happen, we would have set our sights higher. In fact, one of our original ideas was to propose a *pukka* treaty regarding European Union — in other words, a treaty which would make what we have achieved so far as regards European Union not only politically, but also legally, binding. However, in the present circumstances and over the short term, such an aim would be little short of unrealistic, and for that reason we decided to abandon the idea. Instead, what we are proposing in our draft European Act is that, five years after signature of the Act, the Member States should subject it to a general review in the light of the aim of a treaty on European Union.

At this critical moment in Europe's history, the main thing is to get the process of political unification moving once again.

We should now like to see the forthcoming European Council in London take note of this initiative and decide on what should become of the draft European Act. We also hope that this House will take a closer look at the draft document and propose ways of improving it. After all, we believe that the active support of the European Parliament is an important prerequisite for the success of this initiative.

Madam President, it is only by throwing their lot in with an efficient European Union that our democracies will succeed in meeting the major political and economic challenges of our time. However, the reverse is also true: the world needs an effective European Union. Europe's historical mission did not come to an end in 1945. The catastrophe of the Second World War gave birth to a new Europe, the first expression of which was the Council of Europe.

The importance of this oldest community of the democratic countries of Europe has remained unchanged up to the present day: the Council of Europe has an important part to play as the most comprehensive forum for democratic Europe and as the guardian of our humanitarian values, the rule of law and human rights. We regard the Council of Europe as a bridge between the European democracies which were unwilling or unable to take part in the process of unification embarked on by the Member States of the European Community and the economically and politically organized Community of the Ten.

The political integration of the Europe of the Ten into a European Union should go hand in hand with a move to reactivate the Council of Europe. It is up to us to intensify cooperation in the form of a political exchange of views by way of mutual exchanges of information and consultations. Democratic Europe only stands to gain from this kind of cooperation.

It is only pooling their resources in an effective European Union that the Member States of the European Community can play the part the world expects of us and needs from us in taking the decisions on our own future. This Europe of the Ten stands for peace and the peaceful settlement of conflicts. We stand for all people's right to self-determination and all countries' right to independence. We stand for respect everywhere in the world for human, political, social and cultural rights. We stand for regional cooperation on an equal basis and we are ourselves a living example of such cooperation.

We stand for the development of a worldwide order based on partnership, in which countries will work together on an equal basis and in a spirit of solidarity in peace and security, conscious of their interdependence.

Only by standing together will this Europe have the strength needed to put these aims and values to good effect.

(Prolonged applause)

President. — I call Mr Colombo.

(Applause)

Mr Colombo, Member of the Council. — *(IT)* Madam President, esteemed . . . colleagues,

(Laughter and applause)

. . . on behalf of the government of Italy, I should like to thank the European Parliament and its President for giving me this opportunity to elucidate the motives behind and the objectives of the joint Italian-German initiative to relaunch the European Union.

More than ever today, we believe that, in a world haunted by fears and racked with tremendous crises, it is vital for Europe to be keenly aware of its shared interests and of the importance of its tasks. We must fulfil the many demands expressed by our different populations and we need to enhance the Community's specific role in the world at large.

Aside from the urgent economic and monetary problems which the Ten must solve, we are also faced with more general and far-reaching problems. Europe must adopt its own attitude, to these, equip itself with its own strategy and in the process it will become more and more of a political entity. The more we pursue this path, the more the boundaries between the economic and the political aspects of building Europe will be eroded.

The talks and negotiations which have started within the Community institutions are not enough to over-

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come our present problems as quickly as we need to. We must take steps to strengthen the political will of Europe. The need to speed up the construction of Europe with tangible results is all the more pressing, since the problems are not just ones which are occurring inside the Community, but also call for a united response to what is happening outside.

We must understand the connections between all the problems which are now under discussion. This is the necessary premise for the relaunching of the European ideal, which no longer eludes our grasp. The proposals and initiatives which have emanated from the European Parliament, the centre of our cultural, political and democratic forces, where the views of our different European governments make themselves heard, have certainly been giving very encouraging signs of vitality throughout this year. We hope that this growing awareness will lead to a powerful political revival, an emblem of Europe's common vision.

The drawing up of a 'European Act' and of a 'Statement on economic integration issues' which the Italian and German governments have recently brought to the attention of Member States and Community institutions strengthened and the decision-making process in the European Council at the end of November, represents a contribution to, and a plea for, a new phase of dynamism in the building of Europe. We are calling for a revival of European integration, we want the institutions strengthened and the decision-making process improved and we want to encourage and extend to a greater degree the pragmatic process whereby political cooperation is achieved among our ten countries. In this way, cooperation will become more widespread on matters ranging from security to culture and law, which will bring us closer to the basic aims of a European Union. We will achieve this by adopting a flexible approach and through the mutual support of political, economic and social aspects in turn, and as we gradually progress, it will be possible to set ourselves, and meet, new targets.

The European Parliament's part in this whole scheme stems from its importance as a body elected by the people. It is our firm belief that Parliament has not only the title but also the authority to play a central role in spurring on the creation of the Union. When drafting our proposal, ideas from the Parliament were foremost in our minds, as can be seen from the number of proposed measures in the draft European Act calling for increased participation by the European Parliament in our joint task of creating the Union through both economic integration and political cooperation.

At the meeting held the day before yesterday in Strasbourg, Madam President, you rightly made the most of your opportunity to emphasize the European Parliament's expectations and hopes for more fruitful discussions with the Council and its general desire for closer participation in the decision-making process of

the Community. Parliament expressed its wishes most recently in its July session and I believe that our draft European Act goes some way towards meeting them.

The conciliation procedure, prefiguring the joint taking of decisions with the Council, is to be extended to improve the uses made of it. A whole series of measures is foreseen to strengthen the European Parliament's watchdog role. These include the recognition of Parliament's competency to debate all topics relating to the European Community and to political cooperation, a strengthening of its right to ask questions and to make recommendations, an assurance that replies will be provided to Parliament's resolutions and that, through the Political Affairs Committee, relevant information on the international political issues dealt with by the Council will be promptly supplied. Further proposals include the participation by the President of the European Council in the debate on the progress made during the year towards European Union, the submission by the Council of a six-monthly report, consultation with the President of Parliament before the President of the Commission is appointed, and the introduction of a debate on the Commission's nomination and programme.

(Applause from various quarters)

It has even been decided to expand Parliament's advisory role to include decisions on Community enlargement and on the conclusion of international treaties.

It is hoped to develop contacts and the reciprocal giving of advice between the European Parliament and the national parliaments in order to promote greater awareness in the European public of topics connected with the unification of Europe.

With the prospect of a European Union before us, we shall reaffirm the prime importance of the European Parliament, which must be reflected in its rights to participate in Community decision-making and in its watchdog functions. It is hoped that the Parliament will work with us on the process for the eventual revision of the 'European Act' and that it will be associated with preparing a draft treaty on European Union.

The strengthening of the institutions — a move we consider urgent and vital, if the political trend we wish to promote with our initiative is not to founder — will consist not only of better coordination between the institutions, but also their inclusion in the gradual attainment of political cooperation. These measures are aimed at restoring to the decision-making process its Community character, especially where the Council's decisions are concerned, and they are also aimed at increasing the European Community's capacity to act. Taken as a whole, the new ideas introduced by the Council have as their target a reduction in the intergovernmental strategy in the short-term and the setting in motion of a gradual, more

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Community-oriented process, with appropriate reference being made to the voting procedures laid down in the Treaties of Paris and Rome.

(Applause from various quarters)

By the same token, we feel it is essential to facilitate the decision-making process where political cooperation is concerned.

Madam President, I have tried to give a brief outline of the ways in which we hope to improve our relationship with the European Parliament. We will not be offended if our suggestions do not seem to you to go far enough. We would however be disappointed if you thought they were too ambitious. We have indeed tried to be forward-looking and realistic at the same time — I must be honest with the Members of this Parliament — precisely because this dual approach was necessitated by the overall stage of development that the Community has reached, and by the problems which persist, according to public opinion in some countries, with regard to the desire for more short-term integration. This is where the European Parliament really can and ought to play its highly crucial part in boosting the idea of a European Union, by making people aware of the gravity of our common problems and the consequent need to increase the decision-making power of the Community and the role of the Community institutions.

We are proposing a cautiously gradual and realistic approach because it is only in this way, given the current stage of development, that our objective will retain its meaning and not become the source of disagreements and wrangling over European unity. Yet we do of course reaffirm our final objective loudly and clearly as can be seen from the eventual revision clause in the Italo-German draft, which is one of the political keypoints.

(Applause from various quarters)

In other words, it is our belief that it is vital to revive right now the idea of a European vision which moves with the times and to propose specific schemes which appear to us to be immediately possible to implement, given their content and the state of the institutions, provided that the common political will to implement them exists. What is more, we in the Council are moved by the spirit of convergence, and not by that of competition, where other suggestions geared to speeding up the process towards European Union are concerned. We hope that efforts in this direction will continue unbroken, that they will have such an impact that the need for European political integration will never be cast aside and, better still, that such integration will act as a catalyst in overcoming the Community's pressing problems, problems which undermine its spirit and reduce its influence in the world.

In our opinion, the proposed measures can be seen as a package of political and institutional reforms capable of boosting political integration without either element having the upper hand. In other words, the political and institutional aspects will complement and strengthen each other and bring us closer to our major goal, the unity of Europe. Of course, at the basis of all this there must be a common political will to deal with the broad issues of economic integration, particularly with regard to those policies which have not proved entirely satisfactory, and the Ten must commit themselves to abiding by a policy of ever-increasing solidarity. The document entitled 'Statement on economic integration issues' is to be seen as a solemn pledge to reaffirm these commitments and to follow this path.

We must make ever greater efforts — although it has to be done, of course, step by step — to achieve economic and monetary union which will be a decisive factor in strengthening ties between our various countries. Indeed, it must be obvious to everyone that you cannot even talk about economic and monetary union unless there is a corresponding increase in the feeling of Community solidarity. This must exist before it is possible to promote the convergence of our various economic policies and the correction of territorial, economic and social imbalances which continue to exist within the Community. Above all, we must prevent the process of integration from having the paradoxical result of exacerbating those very imbalances which we wish to overcome, simply because of the way it is being carried out. We must identify a means of correcting the situation in such a way that we can, in a balanced manner, meet the targets which correspond to a common will for progress within the whole dynamic of the integration process.

To this end, we think it would be useful to establish parameters which are objectively binding for common economic policies. If we have one uniform framework of reference for relations between the Community Member States, we will succeed in fostering a spirit of convergence and in demonstrating a mutual interdependency in our pursuit of Community aims. Of course, there is no question of our churning out a list of priorities which have nothing to do with the realities of Community life — which is something which is always changing and developing — but, on the contrary, of our pinning down the main points of common interest with a view to increasing solidarity and improving the quality of life of our various populations.

I would say, Madam President, that all of the reasons which led us to follow the path of European unification have to be considered as rooted in a historical context which in fact bears out their validity. The enormous tasks which await us are the result of the success of our activities up to now and the strength which we may derive from them. An awareness of our own strength or power should give us pause for thought. It should encourage us to initiate a general

Colombo

European revival which is in tune with our increased responsibilities but which at the same time allows us to appreciate the wider vistas opening up in front of us.

Europe represents a precious and irreplaceable force for balance, progress and peace on the international scene; it can and must continue to be so. Europe's balancing influence in world affairs is the result of its historical values and its culture, its economic importance and its desire for peace. This ideal should guide us when we tackle the responsibilities which we are called on to assume in world affairs. It should convince us that we need to overcome the tendency to look after our own national interests and spur us on to affirm our common identity in our relations with the outside world. But in order to assume such an identity, we need to be more closely united amongst ourselves and for this reason we must make greater efforts to build Europe on firm and deep foundations.

There are many issues of worldwide importance, such as the safeguarding of peace, international collaboration and the defence of basic human rights. There are highly topical ones such as arms limitation, disarmament, more effective participation in solving the problems of hunger and development. All these problems are felt keenly — and quite rightly — by young people in our countries. Other topics which concern us include a more balanced share of responsibilities within the Atlantic Alliance, to which a number of our countries belong, and hence within the whole western defence system which is of interest to us all. As Mr Genscher has already pointed out, President Reagan's statements made yesterday clearly show that when Europe expresses itself as one voice, even within the Alliance, its opinions are welcomed as a common view shared by Europeans as a whole.

(Applause from the centre and the right)

There is another aim which we must keep clearly in our sights, and that is the maintenance of conditions which will enable us to dialogue usefully with the countries of the East on questions of security and intercontinental cooperation, based on a commitment to keep alive a cultural identity which goes beyond present historical circumstances. These talks call for concentrated efforts, and hence greater unity among ourselves.

We must show that we are realistic and sensible as we pursue our aims, but we must also give evidence of enthusiasm and vision — elements which are essential for all important undertakings, but which, unfortunately, sometimes seem to fade in face of difficulties. We will have to find answers to the questions of our fellow citizens and electors who are not only harassed by the problems of daily living but also anxious about the future, as nowadays everything seems so uncertain. We must show that we are attentive to the needs of disaffected young people who are unhappy at the erosion of ideals and the blatant contradictions in our

society, even if they have not expressed their views very coherently.

Europe must learn to respond to the many serious economic and social problems which confront a society moving towards new phases of technological and cultural development, events which do not represent a simplification of its way of life but which determine new responsibilities. Our people are fortunate in that they can fall back on a huge legacy of experience and thought which have been produced over many generations. This heritage is our civilization, a civilization which is not exclusive, which is capable of welcoming useful additions from without, a pluralistic and tolerant civilization in which everyone feels he can participate.

Among other things, this traditional outlook has made possible — and fruitful — collaboration and the exchange of ideas between political and idealistic groups of different persuasions who can nevertheless meet each other half-way in a spirit of openness and tolerance. This Parliament too benefits from our great common European culture, as it permits lively but nevertheless respectful dialogue between people holding different views.

There is one conviction which, I believe, we all share, no matter what our country of origin is, or what political party we belong to. It is up to Europe to offer to the world as an example the spiritual values on which its thousand-year culture is based. We all recognize ourselves in those values and in the various ideals which we mutually respect. For me, and for many others, I think, these are Christian values, values which Christianity brought to life and made universal. If Europeans adhere to them, they will permit us to conceive of a model for society which will allow men to live at peace with themselves and in harmony with their natural and working environment, and which will help them to regain faith in the progress of society.

(Loud applause)

President. — I call the Socialist Group.

Mr Glinne. — *(FR)* Madam President, Ministers, ladies and gentlemen, I should like to thank Mr Genscher and Mr Colombo for the statements they have just made.

We have listened to their suggestions — frequently positive ones — with a great deal of interest and should like to express our thanks for, and appreciation of, their attempts to strengthen and revise Community policy and to improve the way our Community institutions operate. We in the Socialist Group are all the more happy, in that as our spokesman, Willy Brandt, emphasized yesterday, and as many other Socialist speakers have pointed out during the debate on polit-

Glinne

ical cooperation — this is not another case of sticking a new label on a package whose contents remain the same. Never mind about the new wrapping,

(Applause from the Socialist Group)

for us it is the contents which are important and that is why we take heart from the fact that Mr Colombo — more than his German counterpart — laid great stress on the need to strengthen common economic policy by greater convergence and the need for instruments to correct the imbalances and contradictions which, unfortunately, still persist throughout the Community. The Socialist Group will, in any case, thoroughly examine all of today's contributions and compile a list of detailed criticisms and suggestions — in the light of the Council of Europe conclusions — for the debate which we will be holding at the end of January. For the moment, then, I will not go into details and will just confine my remarks to some general points which I hope will be taken into account at the forthcoming meeting of the Council in London.

Once again, the concept of a European Union has been revived and acclaimed with enthusiasm. Unfortunately, however, we have heard few details concerning the ways in which this European Union could help to establish a common strategy to combat unemployment in the Community and to defeat its economic crisis. The statements on this point remain too vague. We Socialists seize the opportunity given to us today to repeat that the most urgent problem for the Community is to recognize and battle against the enormous scepticism reigning in the hearts of nearly 10 million unemployed, of whom many are the younger citizens of our Community. Social justice inside the Community is a much more urgent imperative than any diplomatic breakthrough or institutional success, however impressive.

Indeed, the European Trade Union Confederation issued a statement on 30 October expressing its fear that the forthcoming Council of 26 and 27 November ran the risk of not coming up with definite, practical solutions to problems. The statement warned:

'There is a great risk that the Council discussions will focus only on the more technical aspects of the tasks to be accomplished or on the less tangible political aspects of the European Union.

While the importance of these aspects is not to be disparaged, where the Community's future is concerned, any discussion which neglected extremely pressing problems such as unemployment and economic recovery in Europe would be a crushing blow to the credibility of the Community.'

Madam President, Ministers, ladies and gentlemen, I cannot emphasize enough that our Group is in whole-hearted agreement with the diagnosis and warning issued by this great trade union organization. The fact

has to be faced that Europe's 10 million unemployed will judge the European Community on the practical steps it takes to improve employment and not on the measures we implement to reinforce our institutions.

What does the Council intend to do on 26 and 27 November, about the proposals in the European Trade Union Confederation's manifesto for employment and economic recovery? What will the forthcoming Council's attitude be to the official proposals put forward by President François Mitterand on European social problems? These proposals, put before the European Council on 30 June in Luxembourg, had, I will remind you, the following main aims: to make unemployment the linch pin of the Community's social policy, to step up talks between the social partners and to promote cooperation and the harmonization of social welfare measures.

Madam President, Minister, ladies and gentlemen, I will sum up my Group's position as follows. We say 'yes' to the relaunching of political cooperation, although we still have to discuss the ways in which this must be achieved and make sure this relaunching is not just for show while fundamental shortcomings continue to exist. We say 'yes' to the improvement of relations between the institutions but, above all, and as firmly as we can, we say 'yes' to a revival of common policies in the economic and social fields, the overall objective being to wage an effective war against unemployment. That is what the workers of Europe expect and it is on this issue that our Community will above all be judged by a huge proportion of its citizens. So that is what we expect from the 26 and 27 November Council meeting.

There is no way, ladies and gentlemen, that we could be satisfied with an abdication of responsibility, however well it might be dressed up to look like an attractive package of policies. We want real economic recovery and a real social policy. In connection with this, I should like to refer to another contribution which is crucial to our discussions here. The document I have in mind is the highly significant memorandum of the French government; this too should be discussed by the Council on 26 and 27 November.

To sum up, we want a Europe that its citizens really can believe in, a Europe which looks after its least privileged citizens, a Europe which really enforces the right to work and which strives for the prosperity and fulfilment of all members of society. The Common Market must transform itself into a truly united Community.

(Applause)

President. — I call the Group of the European People's Party (Christian-Democratic Group).

Mr Tindemans. — (NL) Madam President, ladies and gentlemen, I should first of all like to congratulate Mr Genscher and Mr Colombo on their initiative. Lord Carrington's initiative to bring the Foreign Ministers to Strasbourg and the proposal contained in the memorandum by the French Government to set up the Cultural Foundation are new departures which we warmly welcome. Consequently, this debate is exceptionally important. It is a sign of hope in these dark days and we are working today in the spirit of Robert Schuman who said that whenever it was possible to make a step forward we should do so. The official title of the document produced by Mr Genscher and Mr Colombo is 'The development of the European Community into a European Union'. As long ago as 1951 the following passage figured in the preamble to the Paris Treaty for the establishment of the ECSC:

Resolved ... to create, by establishing an economic community, the basis for a broader and deeper Community among peoples long divided by bloody conflicts; and to lay the foundations for institutions which will give direction to a destiny henceforward shared.

The term 'European Union' was never defined even though it could frequently be found in final communiqués. However, and this is something people appear to forget, in 1977 the European Council explicitly defined six elements which would go together to make up European Union.

It is, I think, clear that European Union must involve economic and monetary union together with a common external policy, at least in certain fields. We should also aim at intensive political cooperation and cultural exchanges on a larger scale in the people's Europe as well as a revamping and improvement of the institutions, and the proposals by Mr Genscher and Mr Colombo can serve as a very good basis for these things. It is good that these proposals draw our attention to the economic crises and the high level of unemployment in the Community. We cannot overstress the seriousness of the situation at this point in time.

(The speaker continued in French)

Mr Colombo has also drawn the attention of the European Parliament to these problems and highlighted three aspects, i.e. the fight against unemployment, the increasing divergence of the various economic and sectoral policies, and the general lack of competitiveness in European industry. This is why this Parliament should draw the attention of the Commission and Council with even greater insistence to the questions of the functioning of the markets — which Mr Genscher has in fact just mentioned — to the fact that an energy policy, an industrial policy, and a social and regional policy are absolutely vital, and to the steps to be taken with a view to establishing an economic and monetary union.

How long have we in Europe been talking about the convergence of economic policies, which would provide the Community today and the Union tomorrow with an economic framework based on the common market and directed by social considerations?

Whether they be Keynesian or Friedmanist, monetarist or globalist, the economic policies decided by the Member States stand a good chance of cancelling each other out if they are not coordinated. Those Member States pursuing deflationary policies see their efforts thwarted by those who favour supporting demand and consumption, and vice versa.

(The speaker continued in Dutch)

When considering European Union, we think not only of the economic aspects, but also and above all of political cooperation as an initial phase which must lead to a European external policy, at least in certain fields.

(The speaker continued in French)

Did not Mr Genscher himself say some years ago that a concept of external policy with a European dimension was now gradually forming?

(The speaker continued in Dutch)

If Europe hopes to establish a common foreign policy, it will have to have the courage to define its relations with the United States, it will have to have an idea about its own security, it will have to speak with a single voice in the North-South Dialogue and to outline a policy as regards the problems in the Mediterranean region.

Mr Willy Brandt spoke yesterday about our relations with the United States. He said, if I understood him correctly, that we must not forget how to think for ourselves as soon as we are called on to form an opinion on the policies or proposals of the United States, and who would dare disagree with that? However, in politics, we should never forget how to think for ourselves and, above all, we should never become one-sided. We must also maintain this capacity for independent thought when we have to assess the precise significance of the United States for Europe, or to work towards establishing the correct relationship and *entente* between a Europe with an identity of its own, a united Europe, and America, or again when we have to assess the role of the greatest democracy in the world and find common ground between the psychologies of the two continents. This must also be reflected in practical political issues such as security, defence, monetary matters, the economy and science. We should never forget the values, attitudes and freedoms which we share with the United States.

(Applause from certain quarters)

Tindemans

We all want a peace policy, but the all-important question is, 'what peace policy would be best?' Let us not forget that this European Parliament and its predecessor have long been calling for a position with regard to European security — I might remind you of the Mommersteeg report, the Blumenfeld report and the Haagerup report which is currently in preparation.

We can go along with Mr Genscher's short-term proposals, but nevertheless have certain reservations concerning his remarks on the institutional aspects — or rather, we find his proposals unsatisfactory on that point. Firstly, I should like to stress that this Parliament too has a perfect right to debate all the problems which the European Council will also deal with in the future.

(Applause)

We agree wholeheartedly with the view that the European Council should be given new powers or responsibilities but we would nevertheless sound a warning. We must be careful that this Council does not turn into a mere intergovernmental body.

(Applause from certain quarters)

There is also the question of whether or not the European Council is a Community institution. It can be one provided it acts in accordance with the rules laid down in the Treaties and hence also follows the procedures of a Council. It is laudable that a realistic attempt is being made to break free from the constraints of unanimity in the decision-making procedure and I would refer, in this connection, to the Commission document of 7 October, also known as the Andriessen document, which draws attention to the negative consequences of the so-called 'Luxembourg compromise', which, according to this document, in reality leads to rigidity. I should like to add the following question. If a Member State brings up a vital issue, can the European Parliament not be notified so that we can discuss it in an informed manner?

(Applause from the Group of the European People's Party)

My Group would like to see a swift return to Articles 148, 149 and 150 of the Treaty of Rome even before the accession of new applicants. What we must aim at in political cooperation is continuity and better preparation and we can therefore give our support to the idea of setting up a small secretariat, however delicate this question might be, on condition that it is attached to the Secretariat General of the Council. We also take the view that the cooperation between the institutions must be revised. Might I point out that this Parliament has already adopted various reports on improved cooperation between the institutions, in particular the Hänsch report, the Van Miert report and, in the Political Affairs Committee, the Antonozzi report. According to the Treaties, the Commis-

sion is the guardian *par excellence* of European interests and we therefore urge that, in accordance with the fourth paragraph of Article 155 of the Treaty of Rome, the Commission should resume responsibility for the administrative and executive tasks which the Council has taken over.

(Applause from the Group of the European People's Party)

Finally, a few words on the European Parliament. It is self-evident, as we see it, that consultation between the Council and Parliament should be extended. We would also like to see this Parliament given the right of political initiative. However, as the Minister will know, an act cannot in itself confer powers which must normally have their basis in a Treaty. Thus, we must, sooner or later, revise the Treaties. At the 1984 elections, we must be able to make it quite clear to the voters that this Parliament has done all in its power to protect the interests of the people of Europe as effectively as possible and with an eye to the future. When you say that it will not be possible to revise the Act for another five years, we can simply no longer go along with you . . .

(Applause from the Group of the European People's Party)

. . . We would propose three phases. An initial phase up to 1984 during which we improve the situation within the terms of the Treaty on the basis of proposals. After 1984 a new Treaty would be prepared and this would be followed by the third phase, i.e. the complete realization of European Union. Thus, as regards the Act, I have endeavoured to draw attention to the positive and negative aspects while retaining the *acquis communautaire*, and all this entails, including the financial consequences which have not been discussed yet here today.

(The speaker continued in French)

I will conclude, by saying, without alluding to any historical figure, that our reply to the proposals of both Mr Colombo and Mr Genscher is 'yes but' — i.e. 'yes' to your proposals, but on condition that this Europe is strengthened and unified in real terms.

(Applause)

President. — I call the European Democratic Group.

Sir James Scott-Hopkins. — Madam President, first of all I should like to welcome Mr Genscher and Mr Colombo, and their statements this morning. I think this is a very welcome innovation, and I hope that the House will duly note it for the future reference of

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other presidencies. The House might wonder whether a person like myself and coming from the country that I do would welcome warmly the proposals made and the initiatives taken by Mr Genscher and Mr Colombo. Indeed I do. This is not a lukewarm welcome for the initiative which has been taken; I believe it is absolutely essential that this Community of ours should move forward, and I think the lines which have been proposed by Mr Genscher and Mr Colombo are ones which we can go along with; certainly from my group's point of view. There are, of course, various difficulties and problems which are going to exist, and some of them have just been outlined by Mr Tindemans. Of course there are; we all know that; but it is going to require initiative and it is going to mean a determination on the part of the Ministers to overcome these difficulties.

We have heard, particularly in Mr Genscher's speech, a whole host of things which will really move this Community forward. I would have thought that that is going to be a very important. We have a saying in my country that actions speak louder than words. What we are going to need now is actual proof of the pudding in the actions of the Council, and in the actions of the Ministers who made these proposals. Let us see this coming through in the various meetings of the Council in the next 6 to 8 months or a year; let us see these positive things happening! I agree with what the Minister has said and am convinced of the need for this positive action, and I sincerely hope that we shall, indeed, see these things actually taking place.

I believe firmly that the Community has got to advance together along parallel lines. The economic front has got to move forward; the fiscal front and, indeed, political cooperation have also got to move forward. I think that we have got to be very careful to keep a balance between the three, and this is where the initiative and the strength of purpose of Ministers is going to be so extremely important. This is not the moment to go into too many details; we shall be having a debate in the New Year on the detailed proposals which are being put in front of us today.

As far as the issues of political cooperation are concerned. I was particularly glad to hear Mr Genscher talking about the need to bring security issues into that debate and into the decision-making process. It is something that we have been talking about for a very long time, and the vast majority of the Members of this House will, I know, support the proposals which are being made in this particular field. We live in a very dangerous world, and we have to take the maximum precautions to guard against the future for ourselves and for our children. I believe that it is only by dealing with these matters — and what better arena to do it in than this Parliament, and, indeed, in the Council, for that matter? — that we can take the right decisions and make our citizens aware of the dangers that exist.

I, too, welcome what has been said by President Reagan in the speech, he made, I think, yesterday, and I sincerely hope that that will be fruitful.

Indeed, as Mr Genscher said, I hope that the Soviet President will take it seriously and there will be serious negotiations flowing from it. But I hope as well that the European Community will also be present during those negotiations and will play a positive role through its various individual Member States.

May I also say that I welcome particularly strongly what was said by Mr Genscher concerning the majority voting in the Council?

(Applause from various quarters)

I will not go over all the things that I have said in the past about this. The House knows full well what my views are. I welcomed also the words which were said when we had the meeting with Lord Carrington the night before last. But I once again believe that it is going to need positive dedication by Ministers to take this action, to go back to the original treaty and not to get themselves bogged down in unanimity at every single level of decision.

I support the suggestion which has just been made by Mr Tindemans that this House should be informed when Member States say they have a vital interest involved in a particular decision. This House should be able to know about these things, and should have an opportunity of debating them. I think that was a very worthwhile and positive suggestion and I hope that it will be followed up.

(Applause from various quarters)

Therefore, Madam President, if I may turn for one moment to the relationships between this House and the Council, there is a great deal that needs to be done. I particularly welcomed the meeting we had the night before last with the ten Ministers. I think this was a welcome advance, and I am very glad that my own Prime Minister is coming here in December to report to the House after the meeting of the European Council. I think we have to debate with the Council — at least I hope we shall do — how we can integrate the European Council meetings into the structure of the institutions and ensure that this House is made aware of the decisions — I hope that the Council will be taking decisions and not just talking — and can debate them here when they have been announced to this House. That, I think, is essential.

I turn finally to one or two of the things which were said by Mr Colombo. (I regret that he has had to go, but I understand the pressure that is on all foreign ministers' timetables. I am sorry nevertheless that he is not here at the moment.) With regard to his proposal that the House should participate in the appointment of Commissioners at the beginning of their tour, he

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knows full well the agitation — if one can call it that — that this House feels at not being able to participate in this. I sincerely hope that the suggestions that he has put forward will once again be taken up by Ministers in a positive and a constructive way. We want to be able to participate, not in a bloody-minded way, but by discussing this and giving our opinion — and why should we not? These honourable gentlemen are very important to us and indeed to the Community as a whole.

The other point which was made — cooperation with national parliaments — is, I think, also very important. This is one of the lacunae which exist at the moment. We all have our own particular ways of talking to our fellow members in the various national parliaments, but I do not believe that that is sufficiently constructive and I think that greater thought must be given to this between us and Ministers who are part of their own national governments and national parliaments. I do believe we have to be much more constructive than we are at the moment.

Finally, Madam President, I believe that if a Community is at a standstill it will die; therefore I believe that what has been said by Mr Genscher and Mr Colombo today offers us hope for the future. It is absolutely essential that we should move forward. It is going to mean a great deal of goodwill on all sides. We know that amongst us we have a common cultural heritage: we believe in the same ideals of freedom, we believe in the same ideals of democracy. We are being assailed, if I may say so to honourable Members, from all sides in this dangerous world today. People are trying to separate and fragment us. That would be the greatest danger that this Community of ours, this Western Europe of ours, could face. I believe that what has been done and said by Mr Genscher and Mr Colombo today will help us to increase solidarity among our Members, increase security for all our citizens, and I believe that we can go along the lines they propose. I will do what I can and my group will do what they can to further the idea of European unity amongst all the nations of Western Europe, for that, I believe, is the only way we can secure a future for our citizens and for our children.

(Applause)

President. — I call the Communist and Allies Group for the first time.

Mr Spinelli. — *(FR)* Madame President, once again, I should like to use one of the common working languages of the Community.

If I were religious, I would begin my speech with the words 'Gott helf mir! — God help me!', for I am certainly in need of some occult assistance to put across what I need to say in the paltry five minutes I

am allotted by the Rules of Procedure. For my intention, Mr Genscher and Mr Colombo, is to urge you to rise above yourselves in order to fulfil the mission which you have been assigned.

We appreciate the fact that you, the German and Italian Ministers, have taken this initiative, for, in proposing this European Act, you have broken a taboo — that of looking beyond the Community's economic tasks — which has hampered the building of Europe for far too long. You have the merit of having said that the time is ripe for initiating moves to gradually create a European Union, a political union undertaken not only to strengthen common economic policies, — although this is, of course, part of it — but also to promote a common policy towards the outside world and a common security policy. This would entail the making of diplomatic and strategic moves in common to make a positive contribution to achieving world peace.

We thank you, therefore, for obliging our governments, our Community and our populations to consider that these new common policies call for common instruments for decision-taking and action. I am sorry to say, however, that your initiative reveals that you have scant faith and only very limited vision! Six or seven years ago, Mr Genscher, you persuaded your party to commit itself to a European constituent assembly. I have not forgotten this, but maybe you have. More recently, on 26 November 1980, when you began to talk about this relaunching of the European political union, you addressed the Bundestag as follows: 'I do not believe that the impulse to undertake the drafting of a European constitution can come from national governments. It can only emanate from the directly elected European Parliament.' When you said that, you knew that the idea of the Crocodile was gaining ground in this Parliament. I am the first to admit that Parliament is at fault for having dragged its feet over this affair, but it has finally shouldered its burden and in a short while it will have its nose to the grindstone. But you couldn't bear to wait, Mr Genscher. You wasted no time in shedding faith in this Parliament. You couldn't wait to give your diplomats the task of drawing up this Act. And they gave you just what you expected: the umpteenth variation on the inter-governmental collaboration theme, which you swallowed without protest.

(Applause from certain quarters)

You must have heard the proverb which says that even the most beautiful girl in the world can only give what she has got. Your diplomatic manoeuvres cannot offer any more. I admit that, for the time being, this inter-governmental cooperation is all that you have and that you must make use of it to tackle the most pressing international problems. But we want you to recognize that such an arrangement has no durability or substance to it. Do not come here and tell us that, in five years — at the outset you said three years, but already

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it has turned into five years — in the light of experience, the Council will, if necessary, propose a treaty to consolidate the Union. It would be much better if you said that we don't need any more experience, and that we know all we need to know, if we were only willing to admit it. You ought to say that you will do your utmost to maintain this halting and precarious cooperation to give Parliament the two, or two and a half years it needs to draft the basic legislation for the European Union and to submit it to the Member States for ratification. If you were to do this, the European Parliament, on behalf of the people of Europe who have elected it, would wholeheartedly applaud your initiative, and would feel prompted to speed up its work as a constituent body in order to help you as quickly as possible out of a position which, ultimately, is not yours to hold. In this way, you would have served Europe well.

I also have something to say to Mr Colombo — even though he is not here — since he regards himself as the heir to de Gasperi's European spirit; I should like to ask him to show something of the tenacity which de Gasperi had in order to make similar proposals to his colleagues.

I tell you, Minister, that Europe's future depends not on your inter-ministerial proposals but on this Parliament, the only institution with the right to speak out and to put forward suggestions on behalf of the people of Europe who have elected it!

I told you that I thought you lacked vision. I will admit that you have come to realize that our governments must learn to cooperate as quickly as possible in order to have a minimum number of common policies in all sorts of spheres, particularly — I may as well say it — to have a common security policy. You have also come to realize that it is no good just hailing it as a necessity, you must do as little as you can to achieve it. So, in your 'Act', you call for the setting-up of an army of councils, committees, and sub-committees as part of a preposterous secretariat whose structure and location will not be fixed. In other words, you want to create a leviathan of a bureaucracy, but manned only by inter-governmental agents. And when this monster of committees and boards has chewed everything over and disgorged it, you believe that each Member State is going to tot up the political experience acquired!

But gentlemen, haven't you ever heard how, during the first and second world wars, the Allies — finding themselves in an emergency which obliged them to have a common military policy on their warfronts, a common provisions policy and common control of their currencies — decided, through acts similar to yours, but without any formal legal procedures, without setting up institutions, and with little regard for the future, to appoint Messrs Foch, Eisenhower and Monnet to act as plenipotentiaries on their behalf? You should make the same suggestion in order to

promote your initiative in the present situation as a provisional measure in the form of collaboration between governments.

(Applause)

President. — I call the Liberal and Democratic Group.

Mr Bangemann. — *(DE)* Madam President, the Liberal and Democratic Group unreservedly welcomes the initiative taken by Mr Genscher and Mr Colombo. We are quite sure that this step has been taken at the right time and in the right place. We are living in an age in which the economic problems described by Mr Genscher have resulted not only in those directly affected adopting a pessimistic view of the state of affairs but also in a generally pessimistic outlook on Europe and the process of European development. It is politically admirable in itself to take the initiative at a time like this. It is something which imbues us with new courage, and it is something we welcome in its own right. It is like someone coming into a smoke-filled room, throwing open the window and letting in breathable air. I must say to Mr Spinelli that his pessimism is totally unfounded. For one thing he should be pleased at having played his part in persuading someone that crocodiles are to be found not in Africa and South America but first and foremost in Strasbourg. As a result, we can now truly work on the assumption that we are all determined to do something sensible to enable us to move forward. I also think it a good thing that Mr Genscher and Mr Colombo have chosen to launch their initiative in the European Parliament.

(Applause from certain quarters)

Ladies and gentlemen, if we want this House to play a central role in the Community's decision-making mechanism, and if, for some procedural reason, we were to disqualify ourselves from talking today to the two ministers who are responsible for this initiative, no one would ever take us seriously again.

(Applause from various quarters)

Mr Genscher's initiative brings together two approaches which appear to be incompatible and which have sometimes been taken to be incompatible. My Group was particularly pleased to hear him say that we must do two things at the same time: we must introduce new policies and we must improve the Community's decision-making mechanism. There are of course people who say that we shall only make progress by pursuing a new policy, by improving our social policy or by combating unemployment. What these people forget, however, is that all this will require improvements being made to the Community's decision-making mechanism.

Bangemann

I should like to remind honourable Members that thousands of fishermen have lost their livelihoods because the Council has been unable for years past to reach a decision on fisheries policy.

(Applause)

For that reason it is a good thing that institutional proposals have been made and that we should be debating them together.

The four spheres picked out — security policy, cultural policy, legal policy, and a joint effort against terrorism — represent four important additions to the current stock of Community policies.

As regards security policy, there is a legitimate European interest which it behoves us to formulate and present within the Atlantic Alliance precisely in the interests of that alliance. I am sure that we in Europe would have a much more fruitful debate on security policy if, for instance, the European Parliament were the kind of forum in which common European attitudes were discussed and formulated. That is why this initiative is important and I include the cultural policy element in this. If we want to move closer together and learn to live with each other, we must acquire a feeling for the fact that each and every culture represented in this Community is valuable in its own right and has an unmistakable contribution to make to the sum total of European culture. We must realize that a Danish citizen of this Community has a right to expect his language and his culture to be treated as being equal to French, Italian or any other.

(Applause from various quarters)

We must give him the feeling that he and his culture have a definite contribution to make to the development of Europe. I also attach particular importance to what Mr Genscher had to say about cooperation in the fight against terrorism. I know that there are interior ministers in the Member States who are against the abolition of border checks because they think that is the only way of dealing better with the problem of terrorism. That is a view I find it impossible to accept. In fighting terrorism, we must improve our cooperation because it is intolerable for a citizen of this Community to be held up for half an hour on the Rhine Bridge in Strasbourg on his way to the European Parliament because every passport and every identity card is being checked separately.

(Applause from certain quarters)

That is the kind of inherent contradiction which it is impossible to explain away. Above all, I should like to say to Mr Spinelli that no one is preventing us from getting together to draft a European constitution. No one is going to stop Parliament coming up with a draft constitution by 1984 and saying whether we are for or against it, as a means of catching votes. But while we

are busy drafting such a document, we should not forget to get on with what is currently feasible. Mr Genscher was quite right in this respect — let us indeed, at long last, introduce majority voting in the Council, because then we should no longer have to complain about nothing happening in the transport policy sector or in any other policy sector simply because the Council finds it impossible to hit on a common denominator or because any agreement that is reached is at a very modest level. So we must do the two things at once: draft a constitution and at the same time do whatever is feasible to enable us to attain that goal.

Let me make one thing quite clear: we agree that Parliament should play a greater part in this debate than has so far been proposed. That is not intended as criticism; after all, we are ultimately here to ensure that more is achieved. That is our real mission.

I wholeheartedly agree with what Mr Leo Tindemans had to say. The original proposals contained a point about the creation of a joint secretariat; that point seems to me to be no longer as important as it originally was. If a secretariat along these lines were to do the same as COREPER is now doing — blocking political decisions at a political level — the creation of such a secretariat would in fact be a retrograde step. However, let me say that I know my good friend Mr Genscher and we all know Mr Colombo. I cannot imagine that these two gentlemen would allow any official to tell them what they can and cannot do in Europe. For that reason I am sure that we can develop this initiative into a common European policy in a way which will strengthen the position of Parliament.

If we were to do so, it would not be for selfish motives. If we are after no more than unleashing an institutional dogfight between the Council and Parliament or between Parliament and the Commission, we have no right to the privilege of having been elected to represent the peoples of Europe. Our real motive in wanting to give Parliament a greater say, Mr Minister, is with a view to the all-important election in 1984. When the European Parliament was first elected by direct suffrage, all the people of the Community had high hopes in us. When we come up for re-election in 1984, we shall have to tell those people whether or not we have justified those hopes. We shall have to take stock. We must be in a position to tell our voters that the European Parliament has served some purpose, and we shall only be able to do that if we are given greater powers and greater scope for participation. That is what I mean when I say that the need to strengthen the role of Parliament is not a selfish demand, but rather one rooted in the interests of Europe and the responsibility of the Members of this House to Europe.

Let me say in conclusion that I believe this initiative has made a positive contribution to the debate on Europe. Over recent months, all we have heard is how

Bangemann

much the Community is costing. Some people have seen themselves as paymasters, while others have felt that they were on to a good thing. Unfortunately, Mr Genscher, certain members of your government have been in the thick of this debate.

(Applause from certain quarters)

I should like to say right here and now on behalf of the Liberal and Democratic Group that anyone who seeks to degrade the European Council to the level of a fire insurance company, anyone who seeks at the end of the year to work out exactly what he has paid in and what he has got out of the Community, is profoundly anti-European and is against the development of this Community.

(Loud applause)

You have clearly stated on behalf of the Federal German and the Italian Governments that both governments intend to adopt a constructive approach and not indulge in the kind of trivial arithmetic which will get us nowhere. For that, my Group owes you its heartfelt thanks.

(Applause)

(The sitting was suspended¹ at 11.25 a.m. and resumed at 11.30 a.m.)

President. — I call the Group of European Progressive Democrats.

Mr de la Malène. — *(FR)* Madam President, Ministers, I should like to assure Mr Genscher that I have no desire to be disagreeable, quite the contrary, and that I have no intention of making disparaging remarks about him in my speech.

In my introduction, I said that we had all known for a long time that Europe was in a critical state. Now a large crowd of physicians is leaning over the patient's bed and of course we are happy to see this. But we would be even happier if they could agree amongst themselves as to a remedy for the crisis. Only the future will reveal whether the optimists are right or not.

You proposed a relaunching of the European ideal through political cooperation by giving prime importance once again to political objectives. Let me say right away that we fully endorse the methods you proposed. Europe needs fresh inspiration, it needs to improve its image in the eyes of those within and those outside the Community, and probably the only way of finding inspiration again and restoring our image is

through debates on foreign policy. You wish to give your undertaking a formal structure, with which we concur, and it is your hope that, within five years, a new treaty will permit the national parliaments to make their views heard, and through them, those of the public, and we agree with that too.

We might perhaps have preferred it if the national parliaments were already called upon, through an act to be specified, to consider the matter, so that public opinion — through its representatives — could play a more decisive role in this new movement that you want to set in motion. This is something which we regret but I will not labour the point. So much for the method.

We support the basic idea behind the proposals, as I have already said, because it is a move which we have always defended. We have always felt that there was a need to make the various foreign policies gradually converge in a way which paralleled unification within the Community. And what other way of achieving this than through political cooperation? Since we have always stuck up for this concept, even when the Fouchet plan was in vogue, we are heartened to see you adopt it. You even refer to a secretariat for implementing this political cooperation, which we ourselves proposed in the past. We also rejoice at the fact that such political cooperation is to be built on the foundations of an independent Europe, on the basis of which political cooperation will be able to develop; it is vital to have an independent policy for an independent Europe.

Then you have added new ideas on culture, justice and the fight against terrorism. We are in agreement with you on all these points. Finally, you have added a new element — security problems — and, as you feel that this is a rather tricky area where you have to proceed with caution, you have taken the trouble to explain at some length what exactly you meant by this word security, in order to distinguish it from defence, and so that the various countries could follow you along this path, particularly those whose military policy is one of neutrality.

You have taken the trouble to explain what you mean by the word 'security' so that all the parties concerned can welcome it. This attempt at definition is vital, essential, and must be continued. Once it has been explained to us exactly what lies behind cooperation in the field of security, we will be able to abide by it without any reservations.

But there are risks in your methods, Minister, as well as advantages. The European Community needs a Europe of political cooperation, we have always said so and so have you, but there is a risk that a Europe based on political cooperation could dispense with the Community as we know it. There is a risk that, in pursuing the path you have indicated, the European Community will cut itself off from reality. The

¹ When Mr Genscher had to leave the Chamber.

Malène

changes which have taken place in this Assembly during the last two and a half years are evidence that these fears which I am voicing are not just empty words. As I have often said, I fear that we may be a little too anxious to abandon the Community of Europe for the Europe of political cooperation. The amount of time which we give in this House to debates on foreign policy or human rights shows that we run the risk — in our efforts to achieve cooperation — of forgetting the Community's problems. But a Europe based on cooperation will have no merit or significance in the world unless it is based on the realities of the Community as it now stands.

The European Community as we know it is therefore threatened, Minister. Naturally, we do not deny that a Europe of political cooperation could give it a new boost, but the fact remains that day after day we see the Community's achievements jeopardized (an example is the sabotaging of the common agricultural policy through the fatal notion of the 'juste retour') and its progress trammelled. We hear a lot of words and promises, but where are the new common projects and the new common policies? They are talked about but they do not exist. The European Community's achievements are imperilled and its progress hampered by the prospect of enlargement — even though many of us agree with it in principle — if this enlargement is expected to take place in the absence of a reinstated common agricultural policy and in the absence of a Regional Fund. We must reaffirm existing common policies and get them back on the right track. If we don't, they will disappear without trace.

I have told you what I was most anxious to say in the few brief minutes allotted to me. We thank you, gentlemen, for your efforts. We are relying on your will to get things done.

We shall be able to assess the outcome within a few days. We earnestly hope that it will live up to your expectations and to ours, and that from this European Council meeting there will emerge a new, strengthened Community, which can pursue the new path which you have indicated and which can be a first step towards the common foreign policy which we so fervently desire.

(Applause)

President. — I call the Group for the Technical Coordination and Defence of Independent Groups and Members.

Mr Pannella. — *(FR)* Madam President, Ministers, I was born in the shadow of a Rome-Berlin axis. Today I am confronted with a Rome-Bonn axis.

As far as the principles go, I wholeheartedly agree with you. But the methods for implementing these

principles make me feel even more sceptical than my colleague, Mr Altiero Spinelli, the bulk of whose criticisms, and even whose wishes and hopes, I share. For the fact is, you cannot create a new element in our history with the same, old-hat, bureaucratic instruments.

What we need is exceptional procedures, procedures which express ideas and give shape, through the agency of free individuals, to ideas, enabling the voice of the people to be heard without resort to demagogy. We all know that if we gave our people a chance to speak, they would have no trouble in quickly and clearly settling questions which we drag our feet over and get bogged down in.

We are so used to this happening that sometimes in this Assembly we warmly applaud things which are quite obvious to our people but which, for professional politicians, represent far-distant objectives which must be approached with great caution. I am talking about such ideas as European passports, the free circulation of individuals, ideas, currency, etc.

The way European politicians think is not in tune with the way the average man in the street in Europe thinks. We can see that just by looking around here.

Minister, I beg you, please do not say that you want from now on to take more notice of Parliament's decisions. Either you take notice of them or you don't. In fact, you never take any notice of them if they are geared towards promoting European Union. What is more, Minister, I think you are pointing us in the wrong direction. The European Council has taken over as the political body which manages the Community and European political cooperation, but this was not the intention of the Treaties.

While I agree with your basic ideas, I am against the methods you propose for, in my opinion, we will get nowhere by giving the Council more and more power. Your views will never coincide and you will only manage to reach a majority decision by opting for the lowest common denominator, the worst thing you could do. For what they say about money is also true about politics: the worst kind of politics drives the best off the market, and not the reverse.

You have not said a word, Mr Colombo, about Europe's vocation and the way the objectives of interdependence fit into the new world structure and the new international economic order. Since you, the Minister of Foreign Affairs, are here — your colleague never showing his face when it is his turn to listen rather than to talk, which is an established practice in Italy and Strasbourg as well — we are asking you to take into consideration the European Parliament's resolution on hunger in the world, when you are in London on 26 November. We are asking you to do this because it is going to be the starting point for a new policy from Europe. The holocaust is no longer

Pannella

Germany's problem, Minister, the holocaust we are now witnessing is a problem affecting Europe and the whole world. Since you have expressed your independent views here today, we hope you will also do so in London on the 26th. Let us think about that and let us respect Parliament's wishes.

(Applause from various quarters)

IN THE CHAIR: MR ROGERS

Vice-President

President. — I again call the Communist and Allies Group.

Mr Damette. — *(FR)* Mr President, ladies and gentlemen, I should like to make some points on behalf of the French Communists.

To begin with, Mr Genscher's statement calls for an initial observation on his whole approach. Firstly, it is rather surprising to hear a Minister present such a document only one month after the Council of Ministers has approved a report on political cooperation in London. Of course, one might imagine that one or two Member States want to extend the London talks and make further suggestions. But this time, this does not seem to be the case. We are dealing now with a text which is substantially different.

In contrast with the London report, you propose giving the European Assembly a right to vote on the Commission's programme. This is a violation of the Treaty, the very same Treaty which is so often evoked here as the justification for what we say and do. It is quite clear that it is up to the Council to lay down, on the basis of an agreement, what the programme of such a Commission is to be. You propose including political cooperation in the sphere of competence of this Assembly. This is also an infringement of the Treaty. You want to abandon the unanimity rule. This goes against the very notion of cooperation and flies in the face of the basic realities of Europe today.

I therefore think that we are quite entitled to regard this whole operation as an attempt to turn political cooperation into supranationalism. Contrary to the London text, you introduce the idea that some positions on foreign policy will be compulsory for all, which is quite inadmissible. Above all, you want to make security a Community affair, which is a grave

error. The French Foreign Minister has just made a very timely remark to the effect that when you talk about security, you are talking about defence, and there is no question of the Ten having a common defence policy.

There are many reasons why this is so, the main one being the different treaties to which they are signatories. It is really most regrettable, Minister, that your speech is only part of a whole approach which consists of only talking about cooperation in order to try and introduce supranational powers. What is all the more regrettable today, is that we may well ask ourselves whether some people do not, in fact, cherish the hope of setting up a system of obligations and imperatives throughout Europe, which would have the effect of crushing the opposition of any Member State which wanted to implement a policy of real social change and which wanted to break away from the rules of multinational capitalism.

What I have heard in this debate only strengthens my belief in this hypothesis. Be that as it may, the real problem we face today is one of cooperation. Cooperation, as its name indicates, denotes concerted action by different sovereign States to solve, by common agreement, problems which are of common interest. In order to be meaningful and effective, we should be making use of it to solve the real problems with which we are faced. There is no need to infringe the provisions of the Treaty of Rome in order to devise a European social policy. We already have provision for this. But when are we going to start doing something about it? When are we going to get round, finally to, making practical suggestions to combat unemployment and inequality and when are we going to try to achieve a reduction in working hours? The French Government has come up with some proposals in this field. We shall soon see whether or not words are matched by deeds.

There is no need to go beyond the Treaties in order to create a great policy of international cooperation. The legal basis is there for us to do so. What I want to know is, what kind of positive answer are we going to give to the ACP countries, who can see that the Lomé Convention is just an empty promise? What kind of concrete action is going to be taken as a follow-up to the debates which have been held in this very House on hunger in the world? How long will it be before we come to regard European agriculture as a magnificent tool for cooperating with, and helping, the Third World, rather than regarding it as a financial millstone? These are the real questions which need to be answered and we, the French Communists, want to work on these questions and offer proposals to solve them. When you consider the awful state of the world at the moment, there is something contemptible about wanting to resurrect the old spectres of the cold war, such as the European Defence Community.

Damette

In his speech, Mr Genscher referred to the movement in favour of peace and disarmament which is gaining tremendous support from the young people of Europe. This is indeed one of the major grounds for hope for our continent. It is my hope that this movement will grow and grow, although I am well aware that it goes against everything you have said in your speech as well as against the views of the majority in this Assembly.

(Applause from the extreme left)

President. — I call the non-attached Members.

Mr Kallias. — *(GR)* Mr President, I in turn should like to congratulate the Ministers, Mr Genscher and Mr Colombo, for the initiative they have taken today. The need for European Union was first formulated immediately after the Second World War.

It is true that long experience of the reservations and national egoism which still affect the relations between cooperating countries has curbed optimism but not the expectation that Europe is progressing, even though slowly, towards political union. I hope that this ideal has already conquered the minds of the nations, particularly of the younger generation.

There are three important things which I wish to welcome most warmly: firstly, the proposals, albeit reserved, which we have heard today from the Foreign Ministers of West Germany and Italy, Mr Genscher and Mr Colombo, which are definitely constructive and worthwhile and amount to a step in the direction of political union.

Secondly, the meeting the day before yesterday of the Foreign Ministers of the Community Member States and the enlarged Bureau of Parliament, which the President of Parliament afterwards described as historic.

Thirdly, in connection with the promotion of political union, the decision taken by Parliament on 9 July 1981 to set up a permanent institutional committee with the task of drawing up amendments to the existing Treaties and a new constitutional form for the Community.

The conception and setting up of new political institutions in a united Europe will require the initiative, courage and creative imagination of enlightened politicians and outstanding experts on constitutional law. But at any event the new Europe will be based on the broad and active acceptance of the European peoples.

The ideological basis is democracy, and any deviation at all from this precept in relations with third countries is inexcusable.

The first institutional problem with which we are already faced is the new distribution of powers

between the Community institutions and the granting of decision-making powers to Parliament. Mr Colombo expressly referred to the necessary increase in Parliament's powers.

Although it is not the subject of today's debate, it is certain that Europe's self-reliance in matters of defence will change the relation of forces in the world and will contribute to creating a new balance and to maintaining peace. In any case, I particularly noted Mr Genscher's reference to the need for joint European security.

Mr President, Ministers, ladies and gentlemen, I hope that the proposals put forward by Mr Genscher and Mr Colombo are a milestone on the road to European Union and that any subsequent steps will be more courageous.

President. — I again call the Group for the Technical Coordination and Defence of Independent Groups and Members.

Mr Skovmand. — *(DA)* Mr President, Mr Genscher and Mr Colombo have produced a draft for a so-called European Act, a declaration which will give the European Council and the Foreign Ministers Meeting in Political Cooperation more power. It is intended that this declaration should be signed by representatives of the various Member States. The declaration deals with many issues including political cooperation, joint cultural programmes, coordination of police work and much more, which Mr Genscher and Mr Colombo have gone into in detail here today. However, I do not intend to go into these questions myself.

Instead, I should like to concentrate on what we in Denmark regard as the crucial issue, the wish to undermine the unanimity requirement or the right of veto, as it is known, since this is what is really in people's minds when they talk about improving the decision-making processes and increasing the Community's capacity for action. If, as under the terms of this Act, Member States are directly required to justify their opposition in concrete terms and in writing, and to formally submit a veto at two consecutive meetings, this would no doubt lead to the result Mr Genscher quite clearly proposed here today, i.e. a situation whereby one could only invoke vital national interests in exceptional cases. The intention here is, as we see it, quite clear. The big countries want to limit and gradually abolish the right of veto, since they know quite well that so much account will always be taken of their wishes that they do not need it. On the other hand, the right of veto is the only protection which the small countries have, and for this reason we in Denmark intend to fight to maintain it — and this is true of both the opponents of the Community and the vast majority of its supporters.

Skovmand

Furthermore, we have a weapon of which I get the impression neither Mr Genscher nor Mr Colombo nor the President of the Commission, Mr Thorn, is aware. I am referring to the Danish constitution, which stipulates that sovereignty may be surrendered only if the proposal receives the support of 150 Members of the Folketing or if the proposal is made the subject of a referendum, and since a proposal of this kind would not receive 150 votes in the Folketing, this means that there is no way of getting around a referendum, the results of which would be a foregone conclusion. Only a very few Danes are in favour of European Union or even of extending political cooperation. There is only one imaginable result — a resounding 'no' to Mr Genscher and Mr Colombo's plans. Mr Genscher and Mr Colombo and the Community institutions are therefore wasting their time discussing a limitation of the right of veto and trying to get the Danish representatives in the Council to sign the document to that effect. Such proposals could only be put into practice if and when Denmark leaves the Community.

Thus, Mr Genscher and Mr Colombo must start by trying to get Denmark out of the Community again, such as by drawing up reasonable economic terms for a Denmark outside the Community, and we can promise Mr Genscher and Mr Colombo our wholehearted and enthusiastic support in any work they do along these lines, but this is the only area in which we would support them.

President. — I again call the non-attached Members.

Mr Romualdi. — *(IT)* Mr President, Ministers, ladies and gentlemen, we members of the Italian political Right, are also convinced that we have reached a crucial and significant moment in the difficult process leading to a European nation — if we may dare to describe it thus, after all the disappointments we have gone through — since the Foreign Ministers of Germany and Italy have come to the European Parliament today to elucidate, on behalf of their respective governments, their own specific initiative and political move towards the construction of a European political union and more deep-rooted economic integration. This is a propitious moment for which we must be grateful to the Ministers and to all the others who have made it possible. But having said that, it is pointless to rake over past events — as Mr Colombo has just done — as, in the present circumstances, they have little or nothing to do with the projects under discussion. For, while we particularly appreciated the part of this plan which deals with security and terrorism, the scheme as a whole is directed against the Western world.

The immense importance of this scheme stems from the fact that it is being discussed here, in the European Parliament, before being examined by the Council. As far as the content is concerned, we are confronted

with statements of principle which are neither new nor entirely original, such as that of parameters for agriculture, which we reject, as it would be a step backwards. We have before us projects which are not so much concerned with developing Community policies and political cooperation, and the ways in which these are to be achieved, but which merely express intentions. This in itself is laudable, but completely inadequate, given the expectations which have led up to this event.

Nevertheless, we in this Parliament, who have time and time again — and to no avail — affirmed these very same principles and who represent — or ought to represent — the interests and expectations of many millions of Europeans who have elected us and given us the task of building Europe, it is our duty as from today to make our contribution to the development of these projects. We can do so by offering our experience and our goodwill, and we can begin by making the positive observation that the representatives of our governments are here with us and that the atmosphere — while not yet one of total enthusiasm — is nevertheless one of renewed hope.

For this reason, it is our earnest hope that this is no swan song. We hope that the different interests of our respective countries — albeit important — will not once again get the upper hand, with the result that only good intentions remain and your speeches, Ministers — and ours — are destined only to be heard as sermons on Sunday, as President Thorn is wont to say, with no lasting effect.

Mr Eisma. — *(NL)* Mr President, we agree with the objectives of the German-Italian initiative although we know that it is a watered down version of Mr Genscher's original ideas. We too would like to take the process of European integration further by reinforcing what already exists and extending the integration process to cover new sectors, and in this context, the development of the cultural aspect remains a somewhat vague concept and the purpose of the cultural foundation is a little unclear. It would, we think, be useful for the future if these ideas were clarified.

Naturally, Mr President, every institution has its own priorities and we, partly with an eye to the elections of 1984, place the emphasis on the extension of our powers. As a matter of fact, we go along with the criticisms made by Mr Spinelli and there is no need to repeat them. However, there is an exception. We are in favour of more democratic control, i.e. we feel that the European Parliament should keep an eye on European political cooperation and we support the initiatives by Mr Genscher and Mr Colombo regarding the resumption of the system of majority decisions. However, it is not quite clear to us what Mr Genscher means by 'vital interests', or the exceptions he proposes when so-called vital interests are involved in

Eisma

this connection. In other words, would this not mean that the new system would only differ very slightly from current practice?

Mr President, I should like to conclude by pointing out that a lot of words have been spoken on the subject of the revamping of Europe. What we want now is action. We have had three wise men and their report and they have been followed by many other wise men with clever ideas, but it is now time that these ideas were put into practice. For example, Mr Genscher and Mr Colombo should make their influence felt in the next European Council by abolishing the practice of unanimity and introducing, instead, majority decisions in the Council. This would show that their words can indeed be translated into action.

President. — I call the Commission.

Mr Andriessen, Member of the Commission. — (NL) Mr President, the Commission welcomes the way in which Mr Genscher and Mr Colombo have presented their initiative here this morning since it shows that the Council still has political courage, conviction and European awareness, which, as many people have pointed out in this morning's debate, are so vitally necessary. The Commission recognizes this fact. We are indeed in urgent need of these things and we can only hope that the torch which has been lit here today will be an undying fire for the further development of Europe which, after all, is what it is all about.

As has been said in various ways this morning, Europe is suffering from political anaemia. We really do need new impetus, both at the top and at the bottom of the structure. The Commission is pleased at the fact that the political awareness that a European breakthrough is called for is becoming more and more manifest.

The merit of this initiative is that it has provided the impetus for a certain relaunching of the political debate on European Union. The fact that, following on from Mr Genscher's initiative, two governments, i.e. those of the Federal Republic and Italy, have now come up with a joint initiative aimed at putting new life into the European integration process is, as the Commission sees it, a very positive development as it means that Europe will fortunately get moving again to some extent, not only at the top, but also at the basic level. Things are also moving in this Parliament, which, when it comes down to it, represents the political basis of Europe. Parliament's decision to set up a Committee on institutional matters and the institutional debate which has now got underway in this Parliament are examples of this.

Finally, the European Commission has also made its contribution by presenting, in its report on the mandate of 30 May, the elements necessary for an

extension of Community policy since, together with the extension of our political scope and the strengthening of the institutions, this is vital if any attempt is to be made to make a breakthrough on the European front, and attention has quite clearly and rightly been drawn to this aspect by, for example, Mr Glinne, Mr Tindemans and Mr Bangemann. We have already heard enough declarations of good will. What we need now is agreement on the actual policy itself.

Mr President, the Commission attaches considerable importance to the fact that the Genscher-Colombo initiative takes as its basis the political dimension of European cooperation and it also attaches great importance to the fact that the European Communities form the crux of this. The Italian-German initiative is not based on a treaty, any more than on a simple extension of the decision-making machinery of the European Community. As the Commission sees it, it would probably in itself be preferable to introduce more binding agreements on the one hand and on the other hand to establish greater transparency in the decision-making process in the various fields covered by European Union, as this process at the moment is something of a hybrid. However, the Commission realizes that both of these things will most probably take time.

In addition, it is perfectly possible to regard the proposed act as an initial phase in the process of constructing a fully-fledged European Union along the lines described by various speakers here this morning. At any rate, I think it is one of the merits of the joint German-Italian initiative that all forms of European cooperation are channelled into a single body.

We can only welcome the fact that this will permit greater unity in the political approach to our European activity.

In the forthcoming debate on the proposed European act the Commission has no intention of standing on the sidelines. It intends rather to take an active part in drawing up this act and will not omit to say what it thinks it should contain, insofar as it feels this to be necessary. It will adopt specific attitudes and make concrete proposals as we have in fact already said in so many words in the Commission communication of the beginning of October of this year on the relations between the institutions.

The Commission also takes the view that even in this initial phase, the deliberations in the European Parliament will form an essential link in the chain of political decision-making. Briefly, the Commission would like to do more and better. However, this will not prevent it from participating actively in the working out of the ideas of the German and Italian Governments.

The proposed European act is, in many respects, the fruit of considerable reflection and its text is therefore

Andriessen

more complex than might appear at first sight. For this reason, the Commission intends to analyse the various points in detail. However, I should nevertheless like to give an initial reaction to one point on behalf of the Commission here today.

Firstly, then, the Commission welcomes the fact that the text stresses the central role played by the European Community in European cooperation. We also think it is important that it clearly recognizes the need for progress in the field of economic integration. However, I should also like to point out in this connection that, in my view, the proposal submitted by the Commission in connection with its mandates goes further. The Commission also welcomes the fact that one of the aims of the Italian-German initiative is to strengthen political cooperation. In the Commission's view, there should be an extension and deepening of European cooperation. Europe must be able to bear its responsibility, both internally and *vis-à-vis* the rest of the world and it is therefore vital, and hence desirable, in that context that account should also be taken of the international political dimensions of European security in the context of political cooperation.

As regards institutional matters, the Commission is pleased to note that, on the one hand, the proposal aims at a more efficient decision-making process in the Council — and the Assembly will remember how much we insisted on this in our own document of October — and that on the other hand, it calls for a strengthening of the influence of the European Parliament. This too was a central point in the Commission document of last month.

The Commission is particularly pleased at the fact that particular importance has been accorded to strengthening the existing concertation procedure and we will make proposals in the very near future for a new interinstitutional agreement on this point, in the form of an amendment to the joint declaration of 1975. The Commission takes the view that the best procedure for dealing with proposals of this kind would be, in the first instance, to set up an *ad hoc* committee consisting of representatives from the three institutions to consider them.

There can be no doubt — and I should like to make this point very clearly here today — that clarification and modifications are called for in the institutional section, certainly as regards the role of the European Council. It is perhaps a good thing to draw attention once more to the fact that since it was set up, the European Council has met as a Council of the European Community and in the context of political cooperation and to this extent, the institutional involvement of the Commission in its work is completely ensured.

Naturally, the Commission welcomes the fact that one of the aims of the act is to establish complete involvement of the Commission in the context of political cooperation and the Commission is fully prepared to fall in with this idea.

Finally, the Commission would like to draw attention to two basic principles which must be taken into account in any discussion of future developments. The development of the institutions must go hand in hand with the development of common policy. The one is impossible without the other and I regard it as one of the most important results of this morning's debate that so many members of this Parliament also share this view.

The Community institutions are central to any further developments on the road towards European Union. Political cooperation must be intensified if we are to bring about greater union in our political approach. If the Community is to make any headway in its internal development, however, the institutions must be strengthened in parallel, as Mr Bangemann and others have quite rightly pointed out this morning. As the European policy gradually comes of age, the decision-making powers of the institutions must be increased. Now that the political and institutional debate finally appears likely to get underway, it is a good idea to keep this aspect in mind.

(Applause)

President. — I call Mr Genscher

Mr Genscher, Member of the Council. — (DE) Mr President, ladies and gentlemen, as I have already had the privilege of speaking to you, and having seen how a lot of Members have had to wrestle with the problem of limited speaking time, I shall be especially brief.

I should like to say that, in presenting our proposals here in the European Parliament, Mr Colombo and I set out to make a fresh start in the form of deeds as well as words.

(Applause)

I set great store by the fact that we decided to unveil our draft European Act here in this House and nowhere else — not even in our national parliaments.

(Applause)

Mr Bangemann said that cheese-paring selfishness was a threat to the European Community, and he is right. I believe we should seek the inner strength to get away from the question of what the Community is costing us and ask instead what the Community is worth to us. That, after all, is the right kind of attitude to take to the opportunities open to us.

(Applause)

A number of Members have criticized Mr Colombo for having left the Chamber. The fact that he had to leave is more of a source of regret to him than to his

Genscher

critics. The fact is, though, that the Franco-Italian talks in Paris were agreed before the date for our appearance here this morning was set, and Mr Colombo's presence was therefore required in Paris.

In any case, ladies and gentlemen, is it really such a poor indication of European cooperation and unity for a German foreign minister to deputize for his Italian counterpart?

(Applause)

Let us therefore not be too formal about this kind of thing: let us instead adopt a political approach. It behoves me to thank all those who have taken part in this debate, whether criticizing, approving, encouraging or offering constructive comments. Let me stress once again that our ears are open to any proposal which might take us a step further than what we have so far achieved in the light of the stark realities and the room for manoeuvre in the Council of Ministers.

We are grateful for any help we can get, and for that reason, I should like to thank all those who have spoken in that spirit in this debate. I must be honest, though, and say to the Danish Member, who clearly regards the right of veto as a well-nigh integral part of the European Community, that there is really a world of difference between his view of Europe and mine.

(Applause)

I see no point at all in indulging in any illusion on that score. I should also like to thank the Commission for its favourable response.

Ladies and gentlemen, it has rightly been said in the course of this debate that we shall have to treat economic issues as being of paramount importance, because the fact is that, unless we are able to maintain social justice and economic stability, we shall prove incapable of safeguarding the political stability of our democracies and of our Community. That is why it is now essential for us to show Community spirit in the practical economic policy pursued by the European Community. In other words, if we want to develop this Market, we must treat it as a market, and we must fight for a free internal market and not divide our own internal market up into sectors.

If we are sincere about our obligations *vis-à-vis* the Third World — and we are — we must be equally sincere about opening up the industrialized countries' markets and the Common Market to products from the Third World; that, after all, is an elementary aspect of the principle of balanced cooperation with the developing countries.

(Applause)

No matter how difficult it may sometimes seem, every commitment must give rise to deeds in terms of prac-

tical politics. Since we realize what different stages economic development has reached in the European Community, let us please find the strength to act together to bring the cost explosion in the common agricultural policy under control, so that funds can be released for a sensible structural policy on the part of our Community.

From a self-critical point of view, we must admit that, at the time of the Community of Six, at the time of economic boom, we failed to appreciate fully the need to create an equal standard of living throughout the European Community, something which would have been much easier then than it is now. We now have to pursue that goal in more difficult conditions, but it is something we must none the less do. So we should not allow doubts to creep in and weaken our resolve; we must believe in the power of the European ideal. The spokesman for the French Communists was extremely sceptical about the proposal to include security policy in Community policy. I take the view that defining European security interests is the most important thing of all if we intend to fulfil our mission in our own interests and in the interests of the world.

Mr Spinelli — with whom I have frequently stood shoulder-to-shoulder in the past when he was responsible in the Commission for environmental protection in the early 1970s, and I had the same job in my Government — said that if he were a believer he would pray for divine assistance. Let me console Mr Spinelli that God also helps the unbelievers — sometimes more than he does the others. Mr Spinelli may rest assured that the idea of a European constitution is not dead and buried — far from it — the fact is that it must come from this Parliament. Let me say once again that this House is the major decision-making centre.

Ladies and gentlemen, I believe that outside in the world we can sense that the political and economical expectations people have of the European Community are sometimes wildly in excess of what is really feasible. On the other hand, within the Community, there seems to be too much pessimism and too little courage and resolve in the face of our true potential. It is up to us to overcome this discrepancy. Throughout history, Europe has frequently plunged itself and other parts of the world into war. In the area for which we are now responsible — the European Community — we have now committed such escapades to the history books and got together to determine our own future.

But that can be no more than a first step. The second step must be — and here we are reflecting the expectations of the younger generation — for Europe to become a force for peace and cooperation, not only for itself, but for the entire world. That is the aim of our initiative.

(Applause)

President. — I am sure that the House would like me to thank you personally for your cooperation this morning and the statements that you have made. May I say that it is very refreshing to have someone who injects a little humour into his politics. It has been a pleasure to listen to you, Sir, and I hope you have enjoyed your visit to us this morning. Thank you very much.

(Applause)

3. Staff regulations of officials of the European Communities

President. — The next item is the report by Mr Lega, on behalf of the Committee on Budgets (Doc. 1-627/81), on the

proposal from the Commission to the Council (Doc. 1-451/81) for a regulation amending the Staff Regulations of officials and the conditions of employment of other servants of the European Communities.

I call the rapporteur.

Mr Lega, rapporteur. — *(IT)* Mr President, I cannot disguise my embarrassment at dealing with a subject which is not nearly as important as that just dealt with. However, I dare to hope that this small contribution of ours on personnel policy may help the Community to become more effective as a whole — a hope which was expressed in the previous debate.

As you know, the European Parliament must give its own opinion on a proposal for a regulation amending the Staff Regulations of officials of the European Communities, through the introduction of a so-called 'crisis levy'.

This proposal has been on the table of the Committee on Budgets since 17 May of this year. We discussed it at length, not so much to examine the merits of the question thoroughly as to obtain a dialogue with the Council and the Commission which would enable us to raise staff problems more generally.

That is why we were somewhat surprised at the attitude taken by the Legal Affairs Committee which, after the discussion in the Committee on Budgets, invoked its right to give an interim opinion, as if it were unaware of all the contacts established with the Commission and the Council to try to reach agreements on staff policy which we regarded as useful.

I shall list very briefly the essential points of this proposal, whereby the Council intends to introduce a 'crisis levy'. Given the economic situation of the Community, it is intended to spread the sacrifices also among the officials of the Community itself. The

Committee on Budgets expressed a favourable opinion on this idea. The Council, for its part, has gone further and introduced the idea of a levy of indefinite duration, i.e. going beyond a crisis period of a certain expected duration. The Committee on Budgets has therefore asked the Council to limit this period to five years, i.e. to a definite crisis period, without prejudice to a subsequent decision as to whether the crisis conditions still persist.

The second point which we asked the Council to modify concerns the crisis levy, also with reference to the pension system. We took the view that the rights already acquired by pensioners should not be encroached upon.

Someone raised the doubt that this would have affected the updating of the pension system to keep pace with salary increases. For our part, we took the view that this objection should not be accepted, since the updating of the pension system is an accepted fact in the context of the conditions of employment, whereas this 'crisis levy', on the other hand, threatens a right already acquired by Community pensioners.

These are the two substantive changes for which we have asked.

In the course of the negotiations with the Council and the Commission we tackled two other extremely important points, the first of which relates in part to the question raised by the Legal Affairs Committee, namely that of amending Article 65 of the Staff Regulations. It is not a new question. Members who have been in this Parliament longer than I confirm that Parliament has already debated the possibility of amending this article, which concerns salary structures, and therefore the possibility for Parliament to intervene in negotiations to define the method of calculation. But this never came to anything, given that the views of the parties were very far apart.

On this occasion we got the Council to commit itself to deciding not only on the crisis levy but at the same time on an objective method of calculation, and to that end the President of the Council sent a letter to the Chairman of the Committee on Budgets and myself, in which he reaffirmed this principle, thereby acknowledging that our efforts were not in vain. Finally — this is the last point — the Commission has agreed to discuss with Parliament a more wide-ranging revision of the Staff Regulations, in which the observations which the Legal Affairs Committee rightly made can be incorporated.

These are the important achievements of the Committee on Budgets in these negotiations. It therefore seems important to me that on this occasion we should formulate a definitive opinion, so that we can then proceed in a climate of cooperation, which has thus been initiated and which I think has already given positive results.

Lega

I reserve the right to speak during the voting time to see whether any adjustments can be found for certain amendments, as well as to correct an error which occurred in drawing up the text.

President. — I call the Committee on Legal Affairs.

Mr Chambeiron, draftsman of an opinion. — (FR) Mr President, I shall do my best not to exceed the five minutes you have kindly granted me; I shall therefore be very brief.

I did not imagine that the main rapporteur would immediately adopt the attitude towards the problem that he has adopted. He has put himself in a difficult situation; his case is not sound and he knows it. For a very long time now he has been giving us the same arguments without ever extracting himself from the contradictory situation into which he has got himself. I shall reply to him presently. I quite understand his attitude: attack is the best form of self-defence, but if one *is* to attack it is a good idea to see that one is equipped with the right weapons.

I should simply like to say one thing, Mr President, because it is a matter of some importance: the Committee on Legal Affairs decided unanimously that it would only give an interim opinion on the proposal for a regulation submitted to the Council which is the subject of the report drawn up by Mr Lega on behalf of the Committee on Budgets. There is no dispute and we do not want to stir trouble up between the committees: we must approach these matters calmly and clear-headedly, but they are important matters and in the five minutes that have been granted to me I shall do my best to prove to you that they are important.

What is the meaning of the expression 'interim opinion'? It means quite simply that we recommend Parliament should postpone taking a decision on the matter in question. And in deciding to make this recommendation, the Committee on Legal Affairs was motivated by two considerations.

Firstly, we need to stand by Parliament's insistence — which has been reaffirmed time and again in this House — that it should be involved in any decision-taking processes aimed at amending, either directly or indirectly, the staff regulations of the European Civil Service.

Secondly, in this particular case, we must safeguard Parliament's right to participate fully in any amendments to the staff regulations.

We have not expressed an opinion on the desirability of the measure set out in the Commission's proposal for a regulation on the special crisis levy. We based our attitude on legal rights and common sense, and this means that Parliament has the right to exercise its

consultative powers without restraint. In the case in point we believe that these consultative powers are not being exercised fully.

What are we talking about? I am not going to repeat what I have written in my report. What is at issue is this: we have been consulted on a document, a proposal for a regulation, and this regulation will be adopted along with a decision which, moreover, has already been taken and on which we have not been consulted. These two documents — to use the expression which is used in the memoranda which have been submitted to us, and only to us, the members of the Committee on Legal Affairs, and in one language only, French — these two documents constitute an indissoluble whole. This is what the Commission's document says. Do not deny it, Mr Rapporteur, otherwise I shall be obliged to ask for five minutes more and read the document out to you.

I say that if we were to give an opinion on the basis of the only document that has been put before us, namely the proposal for a regulation, we should be limiting the role played by this Parliament in the drawing up of Community legislation, that is to say, in a field where consultation is mandatory and is an important part of the decision-taking process. It is evident — and here let me refer you to the consistent line of decisions taken by the European Court of Justice — that a consultation can only be valid if the body consulted is provided with the information it needs to assess all the essential points and all the possible solutions.

The Council and the Commission, I am well aware, are taking advantage of the favourable opinion expressed by the staff representatives at meetings of the Staff Regulations Committee. Of course, we are all agreed that negotiation is preferable to conflict and so much the better if a disagreement can be solved in discussion with a consultative body. But the European Parliament will not allow itself to be reduced to the role of merely having to note that an agreement has been reached independently of itself. We believe that the staff regulations should constitute a consistent whole and that measures taken with regard to salary reviews should have the same legal force as the staff regulations themselves.

The amendments I have been asked to support on behalf of the Committee on Legal Affairs spring from these considerations.

Mr President, I shall be finishing shortly. Mr Rapporteur, I have read your report very attentively. We in the Committee on Legal Affairs have never meant to underestimate the work done by the Committee on Budgets; on the contrary, we are well aware that you have worked very hard. But you have accompanied your report with numerous reservations and criticisms. Do not put me in mind of the motor-car driver who presses his left-hand indicator button when he wants to turn to the right... I say this because the logic of

Chambeiron

your argument ought to have led you to the same conclusions as ourselves. I cannot adopt the inconsistent attitude you have adopted. You ought to reach the same conclusion we have reached; this is a question of principle. Just now we heard a succession of speakers pleading in favour of a strengthening of the rights of this Parliament. You cannot demand strengthening of the rights of Parliament in the morning and, two hours later, claim that no use will be made of the mechanisms which have been given us by the Treaties or by institutional agreements.

President. — I call the Socialist Group.

Mr Rogalla. — (DE) Mr President, ladies and gentlemen, the Lega report does not bring tidings of joy, either for us, who are obliged to express an opinion in accordance with Article 24 of the Merger Treaty, or for our colleagues whom we must ask to agree to a graded reduction of their net salaries of up to 12.7% over a period of 5 years. That is why my Group found it a far from easy matter to give its assent to Mr Lega's report. We also have some sympathy for the Committee on Legal Affairs' attitude, even though we must reject it as unacceptable in the form in which it is presented.

The Committee on Legal Affairs is trying to extend the competence of this House beyond what is stated in the Merger Treaty, in this case to an area in which there exists a close and material connection with a permanent payment system, a rule of application of the staff regulations — up to now the Council and the Commission have settled these things jointly with the staff. What we are talking about here is the so-called 'method', according to which increases in the salaries paid in the Member States' civil services are taken into account in deciding increases in the salaries paid to European officials.

We can understand the Committee on Legal Affairs' deliberations, but we must content ourselves at present with expressly including Parliament's opinion in the proposed new Article 66a of the Staff Regulations as suggested by the rapporteur. That would mean that Parliament would have a say in this important question when, after five years had elapsed, that is to say in the middle of 1986, the moment had come to decide on the future of this economic sacrifice, that is to say, whether, in view of the economic situation, it should be made permanent, reduced or even increased.

In the important area of staff policy the situation in the European Community institutions really leaves something to be desired. There is far too little streamlining and harmonization between the Commission, the Council and the Parliament. Even the conditions of employment of secretaries, interpreters or administrators show wide disparities from each other.

Of course, such matters are not, in the first instance, the responsibility of this Parliament. But let us not deceive ourselves. Without a body of contented employees, employees whose terms of employment are both just and equitable, our Parliament cannot survive. Without the support of officials whose mentality is fully European, who have expert knowledge of their field, who are equipped with linguistic skills, who have more devotion to the matter than national civil servants and who are also convinced of the purpose of our labour of peace, a united Europe cannot be created. Apropos of this, I cannot forbear to mention that two large trades-union bodies in Brussels have spoken out clearly in favour of the sacrifice proposed by the Commission, this crisis levy. They have thereby demonstrated a sense of responsibility and an ability to look further than the 15th of each month, on which 18 000 European officials receive very good salaries. I have great respect for these trade-union organizations, which did not shrink from a month of wrangling in order to obtain their right to have a say in this matter.

The Council of Ministers and the Commission can be proud of such employees, such partners who feel a responsibility towards Europe as a whole and who do not merely talk about unemployment and recession, but set an example.

A reliable body of officials and fruitful collaboration between us Members of Parliament and them strengthens our authority and benefits our work. Only someone whose own house is in order can tackle public relations work with increased *élan* and modern means. And in fact, in my opinion, not enough is done in that area. It should not be allowed to remain unchallenged when, as happened recently in the German press, the work of constructing a united Europe is exposed to ridicule and derision apropos of a so-called European 'tail coefficient', and here I am certainly not thinking merely of issuing terse official denials: I am thinking of modern means of showing the work of building Europe in a positive light.

For this reason, I should like to make an explicit appeal to our ministers, to the members of the Commission and also to our Bureau to do more in this field and to attempt to counteract the trend in the information media to put the blame for failures in the work of constructing Europe on the shoulders of our officials. They are not our whipping boys, nor are they the people responsible for holding back the process of European unification!

(Applause)

Only if European public officials are not turned into the symbol of European failures will this special sacrifice to which we give our assent with the reservations I have already mentioned, be justified.

President. — I call the Group of the European People's Party (Christian-Democratic Group).

Mr Fischbach. — (FR) Mr President, I shall be very brief.

In the opinion of our Group, there are two sides to the problems that arise in connection with the proposal for a regulation that has been submitted to us: a legal side and a political side.

By not submitting to Parliament its decision amending the method by which the salaries of officials and other employees of the Community are reviewed at the same time as it submitted the proposal for the regulation in question, the Council without any doubt flouted the rights of Parliament, which must be consulted on all questions concerning the staff regulations of European officials.

But, Mr President, in this case the problem is principally a political one. We are aware that the proposal for a regulation and the draft decision accompanying it have been accepted by the staff of the European institutions. We are also aware that the matter is one of some urgency since the Council is in fact obliged to implement this proposal for a regulation and the new method for reviewing staff salaries with effect from January 1982. This is so in the interest of maintaining social harmony in the relations between the various institutions.

This is why my Group has agreed to approve this proposal for a regulation. It approves it, however, on condition that the Council submits to us as soon as possible — if possible, during the course of this week — its draft decision so that we may at least take cognizance of this document. In addition, my Group approves this proposal for a regulation without further reservation, because it is already aware that the Council has committed itself to satisfying as rapidly as possible the various family and social grievances which were discussed in this House in January 1980. We hope, Mr President, that the Commission, for its part, will also commit itself to consult the Parliament in the near future, or at any rate before undertaking any overall revision of the officials' staff regulations, as it is required to do and as is only fitting in a question which concerns the Parliament as much as it concerns the Commission and the Council.

President. — I call the European Democratic Group.

Mr Kellett-Bowman. — Mr President, on the face of it, this is a very strange way of dealing with a strange problem, and I shudder at the thought of such a scheme's ever being introduced into commerce or industry. If the crisis levy is agreed and is carried through, there is, to my mind, a very real danger that

the Council and the staff of the various institutions will be reluctant to review other parts of staff statutes during the next five years. I believe that such a review is overdue and now most urgent. We need, the Community needs, an integrated civil service policy. Since the establishment of the five institutions and the various satellites, divers problems and anomalies, like Topsy, have 'just grown'. These should be eliminated so as to be fair to all the staff of the different institutions.

Anyone who has had the opportunity of visiting any of the institutions several times must have observed the variations in workload. Some staff are literally working themselves to death while others are looking for something to do. This situation arises from an outdated form of job protection. People seem to become entitled to certain posts whether or not there is work for them to do. Now if we could promote zero-based budgeting techniques in our man-management, the Community would be better served. In all our dealings with staff, however, we should accept that we need extraordinary abilities and we should be prepared to pay well for them.

There are several amendments to the proposed regulation and we, in the European Democratic Group, believe that Amendment No 2 is critical. Without a certain guarantee from the Commission, we cannot support the resolution. The guarantee for which we ask is that this amendment to staff statutes proposed has been negotiated with full and proper consultation, because this is required for any amendment to staff statutes. Given that assurance, that Article 66a has been correctly processed, we could support the proposed regulation and the report.

President. — I call Mr Pesmazoglou.

Mr Pesmazoglou. — (GR) Mr President, I agree with the reservations which have been expressed, and would point out that the subject under debate is a very serious one, since it affects the personnel of the Commission, the Council and the European Parliament, indeed of all the European Community institutions.

As today's debate has once again shown, it is necessary for the construction of the European Community and the achievement of its great and noble goals that we should protect all the officials of the European Community. I should like to borrow a marvellous expression used by Mr Emil Noel when he received the 1981 Schuman Prize a few days ago. The entire administration of the European Communities, he said, must be characterized by independence, competence, authority and initiative, it must be an '*administration engagée*', that is, a public service dedicated to its lofty tasks. Every decision of this type must therefore be judged in the light of these criteria, and I am afraid that I have now three reservations to put forward.

Pesmazoglou

Firstly, since the real incomes of the officials will be reduced and, consequently, commitments made will not be fully respected, I have reservations as to whether cuts have already been made in all the operating expenditures of the Communities. In any case, I do not think that this has been done to the extent which is required, and I feel that it is quite wrong that so much of the savings burden should fall on the official's remuneration.

Secondly, it surely makes no sense to talk of a crisis measure, firstly for ten years, and subsequently to reduce it to five years — although I entirely agree that it should be reduced — but not to three years. A crisis period cannot last for five years — it should be three years at most — and the matter can be re-examined at the end of this three-year period to see whether a definite decision should be taken.

My third observation is that I am not convinced that all the solutions which could yield the same result have been examined. May I mention by way of example that during the Second World War, precisely in order to achieve savings rather than cuts in real earnings, a form of obligatory loan was introduced, with repayment of the earnings lost three, four or five years after the end of the war. In our case, reductions of this kind could be repaid after three to five years.

These were the remarks I wished to make, and I am generally unhappy about the measure which you are proposing. I have no need to emphasize its seriousness, since it affects the livelihood of the staff of all the Community institutions.

President. — I call the Commission.

Mr Giolitti, Member of the Commission. — (IT) Mr President, first and foremost I want to address, on behalf of the Commission, an urgent appeal to the members of the European Parliament to vote in favour of the proposal which they are now examining.

In this way Parliament will make an important contribution to establishing, in relations between the Community institutions and their staff, that harmony which is essential for their efficient operation. This fact was explicitly acknowledged by the rapporteur for the Committee on Budgets, Mr Lega, in his very exhaustive and objective report. Therefore I have no difficulty in supporting, on behalf of the Commission, the motion for a resolution which he has presented here. There is no need for me to dwell on the elements of the question which were set out with perfect clarity by the rapporteur.

The new method proposed by the Council sets out in detail, along lines fully acceptable to the staff, the mode of application of Article 65 of the Staff Regulations which lays down the method for adjusting

salaries. It is therefore not a question of amending the Staff Regulations, and the Council is therefore not obliged to seek the approval of Parliament in accordance with Article 24 of the Treaty. However, the levy is an addition to the provisions of the Staff Regulations and therefore renders necessary an amendment to the Staff Regulations, on which Parliament must be consulted.

That explains why Parliament is now being consulted on only a half of the package which I have mentioned. I agree with the Legal Affairs Committee and its rapporteur, Mr Chambeiron, when they deplore the difficulty of expressing an opinion on the levy separately from the new method, to which it is related and which will be introduced at the same time. I can assure Mr Kellett-Bowman that all the procedures he mentioned and specified have been followed.

As Mr Chambeiron admits in his perceptive report, the Legal Affairs Committee has received all the documents relating to the new method, and I am sure that Parliament will have no objections with regard to the specific provisions of the proposed decision on the new method, which offers precisely that legal certainty about which Mr Chambeiron is rightly concerned, and precisely the kind of guarantees called for by the staff.

I would therefore like to address an appeal to the Members of the European Parliament to vote in favour of the proposed levy, as suggested in the explanatory statement of Mr Lega's motion for a resolution, and not to leave the levy in suspense because of the problem of consultation of Parliament.

However, I would like to point out — without introducing any element of confusion between the respective responsibilities of Parliament and its Secretary-General — that the administration of Parliament, represented by its Secretary-General, was part of the Consultative Committee, composed of the representatives of the Member States, the staff and the institutions, which examined not only the proposal on the levy but also the draft decision of the Council on the new method. It would be truly deplorable for arguments about a problem of responsibility to delay the application of an agreement which the staff accepts, and indeed which was again called for in a recent communiqué from the Union. Syndicale, precisely because it offers the possibility of reaching a reasonable agreement on salaries every year without the conflicts and disagreements which have unfortunately marked negotiations on the adjustment of salaries in recent years.

Mr President, it is essential that a favourable opinion be expressed during this part-session of Parliament, if we wish to complete the annual review of salaries for 1981, within the very restricted deadlines laid down by the Staff Regulations. Any delay would make it impossible to introduce this new procedure in time to settle the question by the end of the year, and there would

Giolitti

be a serious risk of vitiating many months of patient negotiations.

Moreover — and I end with this observation — it would be even more serious if the climate of constructive negotiations established after months of bitter conflict were to be dissipated and thus open the way for new conflicts and a new hardening of attitudes. Moreover, the Council has committed itself to presenting the social measures, the regulation on the method and the levy within a time scale and in the ways desired by Parliament.

I therefore once more invite the Members of Parliament to approve, in the interests of good relations with staff and the efficient working of the Community institutions, the agreement reached after so much effort with the staff of the institutions, by expressing a positive opinion on the Commission proposal.

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

(The sitting was suspended at 1 p.m. and resumed at 3 p.m.)

IN THE CHAIR: MRS VEIL

President

4. Votes¹

President. — The next item is the vote on the motions for resolutions contained in the reports on which the debate has been closed.

We shall begin with the *Cohen report (Doc. 1-708/81): Special food aid for the least-developed countries.*

I call the rapporteur.

Mr Cohen, rapporteur. — (NL) Madam President, on the agenda is the vote on the motion for a resolution contained in my report on special food aid amounting to 40 million EUA for the least-developed countries. I should like to ask you, before we go on to the vote in accordance with Rule 35 of the Rules of Procedure,

first of all to ask the Commission if it is ready, if this motion is adopted, to withdraw its proposal. Depending on the Commission's answer, I shall presently submit a proposal on the basis of Rule 35 (3) on the subsequent procedure.

President. — To my mind, the Commission should answer your question after we have voted on the text, since we do not know yet what text will be adopted.

Mr Cohen, rapporteur. — (NL) Madam President, I grant that Rule 35 is rather poorly drafted but we really do have the opportunity, before we come to the voting, to ask the Commission whether or not it is willing to withdraw its proposal in the hypothetical case — I admit that — that a majority of the House should be against it. I would rather have an answer from the Commission before we put it on the spot.

President. — I call the Commission.

Mr Contogeorgis, Member of the Commission. — (GR) Madam President, the Commission is prepared to accept all the amendments which have been tabled, but it unfortunately cannot accept paragraph 11 of the motion for a resolution calling upon the Commission to withdraw its proposal for a regulation.

President. — I call the rapporteur.

Mr Cohen, rapporteur. — (NL) Madam President, that is a clear answer from the Commission. It will not withdraw its proposal for a regulation. In accordance with Rule 35 (3), I therefore ask you to defer the vote on this motion for a resolution until our next part-session in December and to refer the report back to the Committee on Development and Cooperation.

(Applause from various quarters)

President. — Mr Price, do you wish to speak against referral back to committee?

Mr Price. — I am doing two things, first of all raising a point of order and then speaking against the proposal, Madam President.

(Laughter)

What the rapporteur has proposed is not in accordance with Rule 35 for the reason that you yourself gave earlier. Rule 35 commences: 'If a Commission proposal fails to secure a majority of the votes cast . . .' We have not yet reached that situation and therefore Rule 35 does not yet apply. We may, however, in a

¹ The report of proceedings includes only those parts of the vote which gave rise to speeches. For a detailed account of the voting, refer to the Minutes. The texts of amendments may be obtained from the Reports of Proceedings Division.

Price

moment after the vote has been taken, reach that very situation in which the particular regulation is rejected.

If that happens, I would urge the House not to accept the proposal of the rapporteur, because I think this very important constitutional rule that we have here should be used only on occasions when Parliament has a very great determination to stick by its opinion. In this case I do not think that in the last analysis Parliament would wish to stop this food aid going, when it is so important, to the countries concerned, and therefore I think it is important that we should not use this rule on an occasion when we have every intention from the start to back down if the moment arises. For that reason, Madam President, I think that we should not accept the proposal of the rapporteur if and when the moment arises for it to be put to the vote.

President. — I call Mr Pannella.

Mr Pannella. — (FR) Madam President, I think we ought to ponder about what has just been said, and you know that I like the Rules of Procedure to be adhered to as closely as possible. Be that as it may, if the House were not to go along with this view of the Rules of Procedure, I feel that the rapporteur's proposal would be definitely justified from the political angle and definitely a wise move, since the idea is not to reconsider our position but rather to flesh it out, even if in a few days' time we have to amend it so that our resolution has a better chance against the Commission's unsatisfactory stance.

I therefore hope that the House will act on the point of order raised by Mr Price.

President. — Let me say two things. First of all, it is not absolutely certain that we can find time for this item during the December part-session which, as you know, will be extremely full.

Secondly, we shall have to consult the Committee on the Rules of Procedure and Petitions for an interpretation of Rule 35. To my mind, the vote on referral to committee, pursuant to Rule 35, can be taken only after the vote on the Commission proposal.

On the other hand, there is provision under Rule 87 for Members to move that a debate be adjourned and to ask for referral to committee. I can regard Mr Cohen's request as based on this rule and put the matter to the House.

I call the rapporteur.

Mr Cohen, rapporteur. — (NL) I just want to say, Madam President, that I do not share your interpretation or Mr Price's as regards Rule 35. In the Dutch

version of the Rules of Procedure — and I have already said that the text here is ambiguous — Rule 35 mentions voting first of all and then goes on *verzoekt de voorzitter de Commissie, alvorens het Parlement over de ontwerp-resolutie stemt*, which means 'the President shall, before Parliament votes on the motion for a resolution, request the Commission'. I admit there is a contraction in the text but I do assume that my request is a fair request on the basis of Rule 35.

President. — There is no ambiguity at any rate in the French version which makes it quite clear that the first step is to vote on the Commission proposal. However, we shall ask the Committee on the Rules of Procedure and Petitions for a ruling on this matter.

(Parliament agreed to the request for referral to committee)

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* *

President. — The next item is the vote on:

- *supplementary and amending budget No 2 of the Communities for 1981;*
- *the motion for a resolution contained in the Adonino report (Doc. 1-733/81).*

(...)

Article 950 — *After the rejection of draft amendment No 26*

Mr Arndt. — (DE) Madam President, you did not say that draft amendment No 26 came from the Committee on Budgets, because otherwise we should have voted for it.

President. — I am sorry to have to contradict you but I am certain I said that draft amendment No 26 had been tabled on behalf of the Committee on Budgets.

Mr Arndt. — (DE) You did not say that the amendment came from the Committee on Budgets. I really do dispute that!

President. — I call Mr Notenboom.

Mr Notenboom. — (NL) You did in fact say 26, Madam President, but the Members will get another chance because the next amendment is along the same lines. The justification is simply a bit different.

President. — I call Mr Lange.

Mr Lange, chairman of the Committee on Budgets. — (DE) There was a fairly tough debate on this point and we agreed on a text put forward by the Commission. This text is contained in draft amendment No 26. If some of the Socialist Group have made a mistake because you did not make it quite clear exactly which amendment we were considering, I move that the vote be repeated because it concerns the text of this amendment by Mr Adonnino.

(Applause — Protests from Mr de la Malène)

President. — I call Mr Langes.

Mr Langes. — (DE) I crave your indulgence, Madam President. This amendment, which concerns aid to Poland, was adopted by the Committee on Budgets by 18 votes to nil. If a mistake has occurred, Mr de la Malène, we ought now to put it right.

(Applause from various quarters)

President. — I should like to put to the vote draft amendment No 26, tabled by Mr Adonnino on behalf of the Committee on Budgets.

I call Mr de la Malène.

Mr de la Malène. — (FR) I do realize, Madam President, how the Socialist Group could get its ideas mixed up. It is quite understandable . . .

(Laughter)

. . . but there is one point to which I should like to draw the House's attention. You clearly announced the draft amendments or proposed modifications we have been voting on. In that case, I must warn against the dangerous precedent which would be set in this House if we repeated a vote because of a mistake by some Member or group. Anyone would be able to say he had not understood!

(Applause from various quarters)

President. — I am fully aware of the danger for our future proceedings of repeating the vote, but I do feel that the similarity of Amendments No 23 and No 26 constitutes an exceptional case.

(. . .)

Motion for a resolution

After the preamble — Amendment No 1/rev.

Mr Adonnino, rapporteur. — (IT) In the case of Amendment No 1, Madam President, the Committee on Budgets took a favourable view only of paragraphs 1(a), 1(c) and 1(d) and was against 1(b). I withdraw the amendment concerning paragraph 1(e).

This means that only three of the paragraphs in Amendment No 1 — paragraphs 1(a), 1(c) and 1(d) — were endorsed by the committee. I am therefore in favour of these three paragraphs which are incorporated in the revised version of Amendment No 1.

(. . .)

After paragraph 1 — Amendment No 3

Mr Adonnino, rapporteur. — (IT) Madam President, the Committee on Budgets expressed a negative view on the two paragraphs which make up this amendment.

(. . .)

President. — Explanations of vote may now be given.

Mr Irmer. — (DE) Madam President, I wish to give an explanation of vote on behalf of the Liberal and Democratic Group. We are not happy about this supplementary and amending budget because it is not one thing or another; in fact I am inclined to call it an ill-conceived monstrosity. On the one hand it contains the urgent and necessary measures, such as aid to Poland, social policy and so on, which we want to accept and are accepting. On the other hand the surpluses we managed to achieve in the European Community in 1981 are being channelled back to the Member States.

There is one thing I want to say about this. If no distinction can be made in this budget, we do want to stress the fact that we should not like to see any precedent set if in fact the surpluses revert to the Member States. We regard this as an on-off situation, which has occurred as a result of unfortunate circumstances and which we are against in principle.

Parliament should be free, next year and in succeeding years, to comply automatically with the legal dispositions and let these surpluses be carried forward automatically to the credit side of the following year. This would mean that a lower VAT rate could be fixed for the following year, with the result that the Member States would get a larger share of VAT revenue. This would benefit the taxpayers. There should have been no need of this ploy which allows the Member States to get the money back.

Let me say it again: we go along with aid to Poland and social measures but we must protest against any

Irmer

precedent being set by returning funds to the Member States.

Mr Pranchère. — (FR) Madam President, this amending budget for 1981 is a real slap in the face for all those who never stop complaining about the millstone of the ceiling on resources and about the cost of agricultural spending and who are waging a constant battle to curb them more and more.

The VAT rate for 1981 is going to reach only 0.78% and EAGGF Guarantee Section spending in 1981 will be up only 2.6% over 1980. These figures reveal the kind of actual truth we do not usually get in this Chamber.

I grant you that the 724 million EUA cutback from the budget estimate of the EAGGF is put down to the economic situation, but this is only part of the picture. It is also, and especially, a result of increased pressure on farming incomes, primarily because farm prices were inadequately revised in 1981 but also because of more flexible support and protection measures, particularly in the case of animal and Mediterranean products.

This supplementary budget bears out one basic fact. The resources are there to put up farm prices by 15%, which is what the French Members of the Communist and Allies Group asked for. An increase of 17% would even have been possible, and this would have blocked the fall in income which small farmers in France are suffering at the moment.

In view of the circumstances of this budget, we shall make sure we press for an adequate increase in farm prices for 1982 and improved arrangements for animal and Mediterranean products.

In keeping with the budgetary procedure laid down in the Treaties, we note that the Council has decided to refund most of what has been saved to the national budgets, thus reducing the Member States' contributions. But we are sorry that the Council did not make use of the opportunity to get back the extra 900 million EUA, relative to the agreement of 30 May, which the United Kingdom got in 1980 and 1981.

The French Communists and Allies will approve transfer measures when they are justified but we are against any other proposals which cannot be justified on the basis of the Treaties.

(Parliament adopted the resolution)

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* *

President. — We shall now consider the *Delorozoy report (Doc. 1-681/81): Economic situation in the Community.*

(...)

After paragraph 10 — Amendment No 8

Mr Combe, deputy rapporteur. — (FR) I am against. This was rejected earlier by the committee.

(...)

Paragraph 18 — Amendments No 13, No 15 and No 1

Mr Combe, deputy rapporteur. — (FR) In favour of No 15 — Amendments No 15 and No 1 seem to cancel each other out — and against No 13.¹

(...)

President. — Explanations of vote may now be given.

Mrs Lizin. — (FR) I shall be voting against the Delorozoy report — as will my Belgian colleagues, Mr Delmotte, Mr Radoux, Mr Van Miert and Mr Colla — because paragraph 9 contains an idea of economic policy which we cannot accept. I refer to the idea of doing away with the index-linking of salaries, something which we have in certain Member States and especially in Belgium.

The fact is that the Commission was the first to suggest doing away with it. The Council tagged along and now Parliament is bringing up the rear by endorsing this idea which, if you ask us, is economically and politically wrong. To our mind, index-linking helps to curb inflationary tendencies instead of increasing them. Moderate wage increases are a fact right now in Belgium, just as much if not more so than in other countries, and the fact of having index-linked wages, which is a reassuring method, allays fears for the future and helps to keep wage claims down rather than the opposite.

Doing away with index-linking in Belgium would have serious repercussions, undermining social peace,

¹ The rapporteur was:

— in favour of Amendments Nos 2, 3 and 9;

— against Amendments Nos 4, 5, 6, 7, 10, 11, 14 and 16.

Lizin

pushing down the wages of the lower paid and boosting the temptation to devalue the Belgian franc, and it would in no way create any new jobs. We consequently feel that the Delorozoy report is unacceptable, even though we are happy with its ideas in support of tripartite talks or as regards American monetary policy.

Mr Martin. — (FR) Every year and every six months, Madam President, the report on the economic situation invariably paints a picture of serious structural crisis. This proves that the solutions which have been put forward for several years and the economic policies which have been implemented are to blame for this state of affairs.

There is a straightforward and obvious question to be asked: how can we turn things round? What we see is that neither the Commission report nor Mr Delorozoy's report attempts at any time to take stock of this obvious failure in a critical and constructive fashion. It is all very well for the Commission's medium-term programme — which Mr Delorozoy mentions — to go on about combating inflation and unemployment together, the fact remains that the basic thinking behind it and its whole structure are based on austerity and safeguarding the profitability of the capitalist system, as well as the various plans for restructuring industry with the results which are already apparent when it comes to unemployment and stagnant growth.

This is generally unacceptable, just as in particular we cannot accept the last part of paragraph 16, since we in fact want certificates and marks of origin to be complied with. In more general terms, we need to initiate a real economic revival based on an upturn in consumption by the general public. This does not run counter to a resurgence of investment in industry, which would bring new jobs . . .

President. — Your time is up, Mr Martin. I indicated earlier that you had a minute and a half. Your Group had already gone way over its time earlier.

I call Mr Bonaccini.

Mr Bonaccini. — (IT) Madam President, our Group was going to abstain from voting on this motion for a resolution, for the reasons which were amply outlined by Mr Leonardi and which concerned in particular the policy on investments and the contradictory state of affairs that was going to arise the ideas the Commission had worked out with a view to the medium-term plan.

I must now say that the voting that has taken place this afternoon, especially on paragraph 12, make us feel inclined to vote against the motion. In this case, note

was taken not of the economic situation but of the policy of a Member State of this Community of ours. We therefore feel, I must say, that we have to reject this as a matter of principle.

Mr Glinne. — (FR) Speaking solely in a personal capacity, let me say that I shall be abstaining as regards this report because it does not clearly repudiate the attitude of the Commission and the European Council, especially at the meeting in Maastricht, against what have been called the far too inflexible systems of linking wages and social benefits to the cost-of-living index.

(Parliament adopted the resolution)

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* *

President. — We shall now consider the *Price report (Doc. 1-624/81): Budgetary control aspects of the acquisition and control of office supplies and equipment by the institutions of the European Community.*

(. . .)

Paragraph 4 — Amendment No 2

Mr Price, rapporteur. — Madam President, I am against it. It refers to stores being sold; stores are not sold.

(. . .)

Paragraph 7 — Amendment No 1

Mr Price, rapporteur. — This matter was not raised in the committee and so there is no committee view. It is a point of detail which does not affect the principle in the paragraph. Therefore, I leave it to the House.

(. . .)

Paragraph 10 — Amendment No 3

Mr Price, rapporteur. — I think its requirements are too detailed and, therefore, I am against it.¹

(. . .)

President. — Explanations of vote may now be given.

¹ The rapporteur was:
— against Amendments Nos 4 and 5.

Mrs Kellett-Bowman. — I merely want to say that I am abstaining on the resolution because it would be very much more expensive to have two separate agencies at Brussels and Luxembourg than to have one.

(Parliament adopted the resolution)

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President. — We shall now consider the *Schwencke report (Doc. 1-542/81): Historical archives of the Community.*

Written explanation of vote

Mr Estgen. — (FR) I abstained from voting on the Schwencke report on the historical archives because I could agree to the transfer of documents from Luxembourg to Florence only if all the documents of all the Community institutions were transferred to Florence. The fact is that, in the case of the Commission and Council archives, some Member States are categorically against transferring them to Florence.

(Parliament adopted the resolution)

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* *

President. — We shall now consider the *Diligent report (Doc. 1-697/80): Protection of shipping routes for supplies of energy and strategic materials.*

(...)

Paragraphs 2 to 5 — Amendments No 1 and No 2

Mr Diligent, rapporteur. — (FR) I am against the first amendment, not because of what it proposes but because it withdraws what it is deleting, all these paragraphs. On the other hand, I am in favour of Mr Normanton's amendment.¹

(...)

President. — Explanations of vote may now be given.

Mr Alavanos. — (GR) Madam President, the problem of free communications and of security in the Mediterranean and the Persian Gulf is undoubtedly serious and topical. However, instead of resolving the problem, the Diligent proposals only make matters worse, since they are based on the principles of intervention, imperialist control and gunboat diplomacy —

in other words, on the very reasons for the present crisis. And the fact that Mr Diligent cites the French Socialist Prime Minister or anyone else does not change the reactionary and dangerous nature of his plan.

There is a way out. There have been specific and clear proposals, and I am not speaking only on behalf of the Communist Party of Greece. I would refer you to the proposals contained in the appeal made by the communist and workers' parties and national liberation movements of Greece, Turkey, Cyprus, Syria, Jordan, Egypt, Iraq, Bahrein, Ethiopia, Afghanistan, Israel, Saudi Arabia and Sudan, which was published a few weeks ago. These are countries situated in this sensitive region, and we think that their proposals should, in principle, be given consideration. The proposals are as follows:

In the Persian Gulf, there should be a withdrawal of foreign bases and nuclear weapons, non-intervention in internal affairs, and respect for countries' sovereign rights over their natural resources.

For the Mediterranean, there should be an international agreement on security and peace, the establishment of a nuclear-free zone, and a zone of permanent peace.

On the Middle East, an international conference should be convened with the participation of all the interested parties and the PLO.

Mr Diligent, since our country is situated in the very region which you wish to put under military control, we would assure you that our peoples will refuse to see the clock put back, and we would advise you not to forget the lesson of 1956.

President. — May I point out that we have interpreters who have to translate the speeches and that you spoke very fast. I fully appreciate that a minute is a very short time, but I would point out that there is provision in the Rules of Procedure, if anyone wants to give a longer explanation of vote than can be reasonably given in one and a half minutes, for the submission of a written explanation of vote. This will then be published in its entirety in the *Official Journal*.

I call Mr Martin.

Mr Martin. — (FR) Madam President, the vote we are about to take is an important one and it places a heavy responsibility on each Member of this Assembly.

My comrades, René Piquet and Jacques Denis, have stressed the fact that the Diligent report goes into matters which are not the responsibility of the European Assembly. At the same time they brought out the real meaning of this report and what it was really

¹ The rapporteur was:
— in favour of Amendment No 3.

Martin

aiming at. I shall simply echo them in saying what an anachronism and a tremendous danger to peace this document is.

There is a tremendous wave of support for *détente* and disarmament in Europe and in the world. Negotiation is the order of the day, backed by people's growing desire for peace. And yet here we are being asked to carry on the cold war by voting for a report which is so obviously sabre-rattling in tone that it is bound to meet with the most widespread and legitimate hostility in the world.

We still hope that there are enough conscientious and responsible-minded men and women here who can say with us, 'If you want peace, work at it', and who will therefore vote with the Communist and Allies Group against this terrible report by the champions of the cold war.

(Applause from the Communist and Allies Group)

Mr Israel. — (FR) Madam President, ladies and gentlemen, we have been trying for more than a year to persuade Mr Diligent and Mr d'Ormesson to be very careful with this report. I am not sure that we have quite succeeded. Paragraph 5 of the motion attached to the Diligent report is fraught with danger. The idea of coordinating the navies of the countries that have them to protect our lines of communication is something which unfortunately has nothing to do with this Parliament. What is more, there is the fact that this idea leads directly on to the occupation of the oilfields by the West, if supplies were to be threatened. Is that what we want?

Madam President, ladies and gentlemen, we are very worried because, although Mr Diligent's analysis of the situation is excellent, his conclusions are perilous. Let me just say that our Group will be abstaining.

(Parliament adopted the resolution)

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President. — We shall now consider the reports by Mr de la Malène and others (Doc. 1-747/81/rev.), Mr Diana and others (Doc. 1-727/81), Mr Klepsch and others (Doc. 1-773/81), Mr Glinne and Mr Hänsch (Doc. 1-776/81) and Sir James Scott-Hopkins and others (Doc. 1-778/81): *Political cooperation.*

(...)

President. — Explanations of vote may now be given.

Mr Segre. — (IT) On the motions for resolutions on the subject of political cooperation, Madam President, the Italian Members of the Communist and Allies Group will abstain from voting on the de la Malène motion and will vote in favour of the Diana motion, against the motion tabled by Mr Klepsch and Mrs Cassanmagnago Cerretti, in favour of the Glinne motion and against the motion by Sir James Scott-Hopkins.

Mr Fergusson. — Madam President, I just want to say that we do regret that there are so many motions about this particular matter before the House. We Group about some of the wording of Mr de la Malène's motion, but we agree in principle with almost everything that is said in all the others. We are most reluctant, therefore, to vote against any of them, though we do hope that at the end of the day somebody will trouble to read so many motions. I want to express our regret that it was not practicable in this particular case to agree on a common motion throughout the House on what is very largely common ground. As we shall in fact support the four motions that we do agree with, especially the Socialist one — and we very much welcome the correspondence of our views with very many of the sentiments expressed in that one — we hope that the common spirit in which all these have been drafted does go forward to the people to whom it is addressed.

Mr Berkhouwer. — (NL) Madam President, I should merely like to say that what Mr Fergusson has said in connection with the previous resolution corresponds exactly with our view of all the resolutions. It is to be hoped that on a subsequent occasion we will be able to express our view in a joint text.

Mrs Van den Heuvel. — (NL) Madam President, the Dutch members of the Socialist Group intend to vote in favour of the Glinne-Hänsch resolution. This does not mean that the text of this resolution entirely reflects our views on the arms race and the steps necessary to call a halt to it. In our view, the fact that NATO has in principle to produce and station medium-range missiles should be deeply deplored since it constitutes a new step in the baleful nuclear arms race which constitutes a threat to the continued existence of mankind. We welcome the fact that the socialist ministers in the Dutch Government have declared that their government will not station such missiles on Dutch territory. However, we intend to bring these views up in the discussions in the Socialist Group over the next few weeks. Pending the completion of this debate, we go along with the present text which at least contains nothing we actually disagree with.

Mr Israel. — (FR) Madam President, ladies and gentlemen, we expected a great deal from the motion tabled by Sir James and we have approved in principle all the other motions on political cooperation.

I merely want to point out that there seems to be one basic factor missing from all these motions, and I mean the idea of European independence. When we talk about political cooperation, we really must stress that Europe needs to have an independent policy, one which is independent of Soviet strategy of course but which is also independent of our mighty neighbour who, sometimes, involves us too much in his policies. I mean the USA. I think we are going to vote for the motion by Sir James in any case, but we should like to see the idea of European independence appearing in documents of this kind in future.

(Parliament rejected the motion for a resolution by Mr de la Malène and others and adopted by separate votes the other resolutions)

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President. — We shall now consider the *Lega report (Doc. 1-627/81): Staff regulations of officials of the European Communities.*

(...)

(After the approval of the Commission proposal)

Mr Patterson. — Could I refer to Rule 36 and ask whether Mr Lega or the chairman of this particular committee would ask the Commission now to accept the amendments to their regulation? I think this would be useful to know before we proceed to vote on the resolution.

President. — Mr Patterson, it is up to the chairman of the Committee on Budgets or the rapporteur to act on the basis of Rule 36. I have not been informed of any such move by Mr Lange or Mr Richard.

Mr Patterson. — Madam President, that is why I asked.

President. — Well, there has been no initiative on their part and so there can be no question of applying Rule 36.

I call the rapporteur.

Mr Lega, rapporteur. — (IT) I only want to say, Madam President, that we made use of the opportunity which was available to the Committee on Budgets.¹

(Parliament adopted the resolution)

5. *Pollution of the Rhine* (continuation)

President. — The next item is the continuation of the debate on the pollution of the Rhine (Doc. 1-686/81).

I call the Group of the European People's Party (CD Group).

Mrs Maij-Weggen. — (NL) Madam President, ladies and gentlemen, the pollution of the Rhine is one of the major environmental problems facing not only my own country, but also other countries on the banks of the Rhine, such as Germany, and, indirectly, Luxembourg. I should like to give you an idea of the toxic substances which the Netherlands has to deal with every year after they have arrived via the Rhine: 27 t mercury, 400 t arsenic, 130 t cadmium, 1 600 t lead, 1 500 t copper, 1 200 t zinc, 2 600 t chromium and 12 million t chlorides. Thus, in recent years the Rhine has changed from being a beautiful living river to a dead and poisonous stream.

One of the most serious forms of pollution in the Rhine results from chlorides since these are especially difficult compounds to eliminate. 20 million people in West Germany and the Netherlands, who depend on the Rhine for their drinking water, are thus obliged to drink water with an excessively high salt content. Long-term consumption of this water can be detrimental to health, and apart from this the excessively salty water also causes major economic problems. For example, many farmers and horticulturalists along the banks of the Rhine have to use water from the Rhine to irrigate their land. It has been found, however, that the excessively salty Rhine water has a detrimental effect on the agricultural and horticultural products, particularly when the water level is low and the salt concentration increases. This costs our horticulturalists millions of guilders every year.

The countries through which the Rhine flows have been trying to put an end to this unacceptable situation for years now. In 1976, after considerable negotiation, the Rhine salt treaty was drawn up. Under the terms of this treaty, France — which is the main culprit as far as this salt pollution is concerned, since 40% of the salt comes from the Alsace potash mines — promised

¹ The rapporteur was:
— against all the amendments.

Maij-Weggen

to dump a proportion of the potassium salt back into the mines, rather than discharging it into the Rhine. However, France has postponed the implementation of this decision for five years by constantly proposing new alternatives — five years during which the economies and health of the populations of the other countries bordering on the Rhine have continually suffered. We are naturally pleased that a modest breakthrough was finally made at the special conference of ministers of the countries on the banks of the Rhine which was held in Paris this week. France has now agreed to fulfil, in part, the promises it made in 1976. In part, because it had first of all promised to reduce its discharges by 60 kg per second whereas it has now promised to reduce them by 20 kg per second. We are pleased that France has finally shown the sense of responsibility and solidarity which we expect from a constructive member of the European Community, but I would nevertheless appeal to it to submit the salt treaty, which should have been ratified as far back as 1976, to its National Assembly as soon as possible and not on the basis of these new figures, but rather on the basis of the original commitments.

Mr President, two further observations. Over the last two years, partly on the basis of a request we made two years ago, the European Commission has been playing a constructive role in the negotiations on the salt treaty. We call on the Commission to continue its work and we should particularly welcome Community-level participation in the salt treaty. I should be pleased if Mr Narjes would tell us whether or not he goes along with this idea.

Secondly, the pollution of the Rhine has over the years left very deep marks on public opinion in my country, not only as regards France, but as regards European cooperation too. For the Netherlands, the pollution of the Rhine and the credibility of European cooperation, particularly within the European Community are very closely interrelated. It is therefore of vital importance that the European Community should do all it can with a view to putting an end to both chemical pollution and salt pollution. We must be able to see to it jointly that this dead and poisonous river becomes a beautiful living stream once more as it always was throughout history and as we hope it will be in the future too.

IN THE CHAIR: MR DANKERT

Vice-President

President. — I call the Liberal and Democratic Group.

Mr Combe. — (FR) Mr President, the question of the pollution of the Rhine by salt is a different problem

which, along with the pollution caused by the Potasses d'Alsace, also involves pollution caused by other riparian States, in particular, the Federal Republic of Germany.

Regarding pollution originating in France, I observe that as a result of the meeting held in Paris on 17 November the situation, though it is yet to be clarified, is tending in the direction of the solutions which have in part been suggested by France for many years now, that is, in particular, the construction of a salt works and the injection of the discharged salt into the subsoil.

A very important and serious discussion of this topic took place at a meeting of the Committee on the Environment, Public Health and Consumer Protection. On that occasion I emphasized that apart from pollution caused by salt, there was unfortunately also pollution of other kinds, originating in particular in Switzerland and involving discharges of arsenic, mercury and lead.

I also emphasized that without any doubt all the solutions had their inconveniences and that we also ought to take account of the human aspect. In spite of our different opinions and our similarly different national interests — which is quite understandable — our Committee as a whole wanted to adopt a European opinion and not a national one. Taking account, therefore, of these different opinions, our Committee decided, almost unanimously, to back the compromise solution put forward by our rapporteur, Mr Johnson, who, however, does not have the good fortune to live in a country bordered by a river as beautiful as the Rhine!

Our rapporteur has suggested an amendment to the motion for a resolution initially adopted by the Environment Committee. In my opinion it does not alter unduly the initial motion and I hope that this House, taking in this matter its cue from the committee, will adopt our rapporteur's proposal.

President. — I call Mr Eisma.

Mr Eisma. — (NL) Mr President, the day before yesterday in Paris, the competent ministers of the countries through which the Rhine flows discussed the problem of discharges of salt into the Rhine. I therefore deeply regret that the report currently before us and which was adopted unanimously on 28 October in the Committee on the Environment did not come up for discussion earlier since this means that we could not inform the ministers of the outcome of our deliberations in good time so that it might influence their decision-making. Thus we are locking the stable door after the horse has bolted — a depressing example of inefficiency and the lack of coordination between the Committee on Environment, the rapporteur and, not least, the Bureau of this Parliament. If only we had

Eisma

been able to deal with the Johnson report on Monday, the ministers in Paris could have at least been informed of the results by telegraph. Once more, Parliament is failing to keep up with events and is making no use of its opportunities to exercise influence — which is a bad thing for this Parliament.

Mr President, the pollution of the Rhine by salt discharges has been an urgent political issue for over 10 years now. Finally, it appears that a start may have been made towards solving the problem at the meeting of the ministers in Paris, and it is high time too, since adequate study has already been carried out and political decisions are called for if we are to point a finger of accusation in connection with this problem, it is first and foremost at the French Government and Parliament that we must point it, since they have been putting their spoke in and preventing an international solution to this sort of pollution problem for years, and I would therefore appeal to our French colleagues in this Parliament to convince their colleagues in their national parliament of the need for a solution and to persuade them to express this need by signing the salt treaty.

Mr President, we have only gone a very short distance along the road towards a solution. We must follow up what has been done so far, the French authorities must cooperate and the European Community must come up with initiatives for longer-term solutions. All this Parliament can do at this stage is to adopt this resolution unanimously, including Mr Johnson's amendments. I urge our French colleagues to take on their European responsibilities.

President. — I call Mr Muntingh.

Mr Muntingh. — *(NL)* Mr President, the French Government has promised to reduce salt discharges into the Rhine by 20 kg per second and it can decide itself on the methods it intends to use for this purpose. The method chosen will probably involve injecting part of this amount i.e. 14 kg per second, into underground cavities in Alsace, but an independent committee will be required to study this question and convince the people of Alsace that this is possible. In addition, a salt factory using 6 kg salt per second is also to be built.

As I see it, Mr President, all this means is that the decision taken in Paris was simply a continuation on the part of France of the attitude it has taken in the past, i.e. to cause delays in the entire process until certain mines are exhausted — and this will not be all that long now — so that the whole business will be unnecessary. Thus, I do not believe in what Mrs Maij-Weggen or even Mr Eisma said about this being a positive development or, as Mr Johnson said, a new beginning. It is nothing less, I think, than an attempt to hold things up. I shall nevertheless vote in favour of

Mr Johnson's report since what it contains is all, of course, very fine. However, I do not believe in it as long as France itself fails to come up with any real proposals.

President. — I call the Commission.

Mr Narjes, Member of the Commission. — *(DE)* I should like to take up Mr Eisma's remark to the effect that Parliament is too late in dealing with this matter. There is also a positive side to this delay because the debate is taking place at a convenient moment between 17 November and the next meeting of the Council of Environment Ministers on 3 December. It therefore provides a good opportunity to exercise some influence on the decisions and deliberations of the Council of Ministers on 3 December, in part also thanks to the results of the 17 November meeting.

To this extent, the fourth attempt to deal with this matter this week is ultimately of greater benefit than was at first supposed, because the Commission is also concerned at the continuing pollution of the Rhine resulting from the high salt content in the water and the harmful effects this has on drinking water and water for industrial use throughout the entire drainage area. It fully concurs with all the figures which Mrs Maij-Weggen has reminded us of in illustration of this sad state of affairs. For more than ten years the matter has been the subject of discussions at the international Commission for the protection of the Rhine without the salt discharges into the Rhine being so far reduced by a single gramme. It is a matter of common knowledge that the Convention for the protection of the Rhine against pollution by chlorides, which was signed in Bonn in 1976, has so far been prevented from taking effect. New negotiations were started, in which the EC Commission took part, and it will also participate actively in these discussions in the future. The 1976 agreement provides for a reduction in salt discharges of 20 kg/second during the initial stage, rising subsequently to 60 kg/second. These goals are still valid. The task was and is to find a solution for both stages which will be acceptable to all the States lying along the Rhine.

On Tuesday 17 November the ministers met in Paris and agreed on a solution which consisted — as has already been explained — in the other Signatory States of the Treaty providing the French Government with the requisite freedom of manoeuvre in the implementation of the salt agreement and guaranteeing it the appropriate support. The French Government, for its part, has pledged itself to find a political solution on the following terms:

1. The goal of reducing the inflow of pollution into the Rhine by 20 kg of chloride ions per second during the first stage remains unaltered. In other words, the French Government gives its recognition to what I

Narjes

have just said regarding the content of the 1976 agreement and our interpretation of it.

2. The financing of the project by the Signatory States of the Treaty remains similiary unaltered.

3. The funds which the Signatory States have made available to France may not be used for the construction and operation of a salt works.

At the Paris Conference the French Government gave an indication of what solution it had in mind. It is thinking in terms of a composite solution involving the injection of the salt into the subsoil — I think that is the correct translation of 'injection' — as was provided for in the 1976 agreement and the construction of a salt works with a capacity of 300 000 to 500 000 tonnes of salt per year.

Mr President, I welcome this decision by the Environment ministers, which I look on as a first step to the attainment of the goal we have been aiming at, though I have just taken careful note of Mr Muntingh's scepticism.

I also welcome the committee on the Environment, Health and Consumer Protection's draft report, which also played an important role in the preparation of Tuesday's meeting.

I should also like to give my full support to Mr Johnson's amendments — I think they are numbers 9 and 10 — because they are the only ones that are suited to the present situation. In these amendments an allusion is also made to the positive role of the EC Commission, and those others who have also contributed to the work are gratefully acknowledged.

In addition, the Community is called upon — this is the other point which was expressed in the question put to me — to become a signatory to the chloride convention. This is a proposal which is in need of some consideration, but which in principle should be considered positive. I should like, however, to express some reservation because it is possible that not all the riparian States are at this moment in agreement that the Commission should become a signatory. Secondly, I should also like to point out that a Council decision on this must be unanimous. This is in connection with the expected financial participation by the Community. In practical terms this would no longer be feasible for the 1982 budget; the appropriate heading would have to be proposed for the 1983 budget. In respect of all these points we also fear that reflections of this kind could cause the solution, which has now got under way, to be further delayed. In all these matters our main concern should be to see that the course of work which has been so laboriously set in motion should not be further hindered.

Mr President, I want to thank Parliament, and, in particular, the Committee on the Environment, Public Health and Consumer Protection and its rapporteur

for their important contribution to solving the problem of the Rhine. I welcome the fact that these constructive proposals have had effects that extend far beyond this room. The Commission will pursue this topic and the aim of limiting discharges of salt to 60 kg of chloride ions per second with serious attention.

The next question — if I have properly understood it — was — and this will be my final remark — how the situation was regarding pollution of the Rhine from pollutants other than chloride. Apropos of this, let me observe that the Council of Ministers meeting on 17 December indicated how necessary it was that the chemicals agreement should finally be concluded. The aim of 3 December will be to achieve progress along this path, in particular regarding discharges of mercury, so that, on the basis of this agreement, we can make further progress in keeping our national waterways clean and in limiting discharges of pollutants.

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

6. *Wild flora and fauna*

President. — The next item is the joint debate on the following reports drawn up on behalf of the Committee on the Environment, Public Health and Consumer Protection:

- report (Doc. 1-276/81) by Mr Alber on the state of the Community environment;
- report (Doc. 1-243/81) by Mr Verroken on the proposal from the Commission to the Council (Doc. 1-160/80) for a decision on the conclusion of the convention on the conservation of migratory species of wild animals;
- report (Doc. 1-579/81) by Mr Muntingh on the proposal from the Commission to the Council (Doc. 1-360/80) for a regulation on the implementation in the Community of the convention on international trade in the endangered species of wild fauna and flora and on the trade in the products of endangered species of wild animals in the Community.

The following oral questions to the Commission are also included in the debate:

- oral question (Doc. 1-617/81) by Mrs Maij-Weggen and others:

Subject: Delay by the Council in reaching decisions on European draft directives on the protection of the environment

President

Whereas:

- in 1973 and 1977 the Council adopted a Community action programme for the development of a European environmental policy;
- it has meanwhile emerged that many draft directives on environmental protection, put forward by the Commission and approved by Parliament, have for years been held up in the Council of Ministers without a positive decision being reached;
- the number of draft directives adopted by the Council of Ministers for the Environment over the last few years has, by comparison, been depressingly low;
- Community environmental policy can therefore scarcely be described as effective and credible;

Can the Commission describe the steps it intends to take with a view to breaking this deadlock?

- oral question (Doc. 1-673/81/rev.) by Mrs Weber and others:

Subject: Action in response to the reports *Global 2000* and *Global Future — Time to Act* submitted to the American President

In July 1980 a report entitled 'Global 2000' was submitted to the American President, who had commissioned it in order to obtain an assessment of the future prospects of mankind in regard to population trends, supplies of raw materials and energy and the quality of the environment.

In the report the governments of the whole world are exhorted to act quickly, comprehensively and decisively.

Following on from this report an action programme was drawn up for the American Government, entitled 'Global Future — Time to Act'.

1. What is the European Community doing to help avert the impending global catastrophe predicted in the two reports?

The Community and its Member States must bear a considerable share of responsibility for the imminent worldwide exhaustion of resources and deterioration in the natural environment through their economic activity, with its enormous demand for supplies of raw materials and energy, their large share in world production of chemicals, dangerous goods and waste, the relentless expansion of built-up areas and transport networks, the over-exploitation of agricultural land and high demand for scarce items of food and luxury articles.

2. How does the Commission propose to use the findings of the two reports for the purpose of its own activities, in particular as regards policies on economics, agriculture, development, energy and research, transport, environment and health?

The reports have made it clear that virtually all areas in which policy decisions have been taken have a direct or indirect impact on the major prob-

lems of the world population, raw materials and energy supplies and the environment.

It therefore seems necessary to make a more careful assessment of the likely medium and long-term consequences of policies and funding arrangements than in the past.

The sooner the implications of the two reports for the European Community are acknowledged, the better the chance of protecting future generations from the harmful effects of human activity.

Mr Alber, rapporteur. — (DE) Mr President, ladies and gentlemen, the story goes that in one Community country, in which a stretch of railway line was to be closed down, the authorities forgot to notify the station officials, who continued to carry out their work for a long time after the trains had stopped running. Once again Parliament is in a similar situation.

Since we are today, on 19 November, holding a general debate on the state of environmental activity in the Community, this is a positive indication that we want to help to shape the third action programme. Unfortunately, however, this programme was adopted by the Commission on 4 November. Since it was still not known, about three months ago, whether a programme of this kind was wanted at all these two weeks would have not mattered. But it would be unfair to blame the Commission alone for this. The report on which we are voting was adopted by my Committee as far back as May. The fact that it has taken six months to come before the House is due solely to Parliament's Bureau.

I know that everything is important, but it is unfortunate that environmental policy, which is a very important and sensitive field, should be dealt with in such an offhand way.

(Applause)

Today too, when we should have held a major debate on the environment, the items under discussion have been left to the last minute and have also been combined, even though they do not necessarily belong together and are all worth discussing separately. No wonder, then, that many only discuss these topics in heated tones on the streets, since they doubt the seriousness of official platforms. I regret the delay and would appreciate a more thoughtful approach to the planning of the timetable.

Fortunately, the Commission's third action Programme contains many points from our report. The Commission representatives were actively involved with our work and were able to see, on the basis of the voting in the Committee, how the report would turn out. So, despite the delay, our work was not in vain.

Alber

In our opinion an action programme should not merely be a collection of individual measures. If it is to provide a more accurate picture of the overall situation, the interrelationship between individual measures and the interdependence of the various factors involved, an environment policy must be cast from a single mould. A general environment strategy is therefore required. We are pleased that our ideas on the environment are shared and are being developed further.

Initially, the primary objective was merely to avoid existing damage, and it was soon found that a preventive approach was to be adopted to environmental protection. But this is not enough. Environmental protection must be an integral part of all individual policies and should therefore be taken into account at the planning stage. Only by including ecology in individual policies can we ease this state of tension. For this reason the idea that ecology is opposed to economics — and vice versa — is wrong. Indeed, ecology and economics go hand in hand.

If an effective environmental strategy is to be created, a few basic political questions will first have to be cleared up. The Member States finally need to issue clear statements on the interrelationship between energy, growth and raw materials. It is wrong that while some countries contemplate zero growth, others are extolling the benefits of enormously high rates of growth. It is wrong that while some countries avoid nuclear energy like the plague, others find that it has an almost erotic appeal. We should have the courage to make a definite decision.

Often it is only the fear of certain groups which prevents clear statements. But governments are elected to act, not to be blackmailed. I am sympathetic with those who demonstrate against radioactivity in the body, although in some people this is the only activity which is in evidence. No, what we need are unequivocal decisions by the Member States. It would also be worthwhile to conduct a study on the development of the Community countries comparable to the American 'Global 2000' study. Because of the rather large number of Member States, such a study could be carried out by the European Council. In any case, however, an environmental strategy must recognize future developments. Equally important are clear statements on cost and financing possibilities and an honest cost-benefit analysis. The effects of environmental protection on the labour market should also be known; when a given measure is being publicized, honest and accurate statistics are obviously essential. This is particularly true in the field of energy, where, depending on the type of energy favoured, certain costs, especially long-term costs, may be glossed over.

But an environment policy can only be drawn up when all these objectives and principles are sorted out.

Rome, as we know, was not built in a day. We therefore propose certain priorities and a fairly large number of measures which can also be carried out in the medium and long terms. Let me make myself quite clear — neither the sequence of the list of priorities nor that of the other points gives any indication as to their importance. We regard all points as equally important, and any listing would therefore be arbitrary.

Owing to lack of time I do not wish to go into all of our proposals; they are, after all, self-explanatory. I would, however, like to expand on certain ideas in particular, not only in my capacity as rapporteur, but also as spokesman for my Group. We call for the fixing of bioindicators, ecological land register surveys and — this brings us to the Weber report — the establishment of compulsory criteria for assessing environmental tolerances. This is necessary because we should not just leave such matters to local authorities. This would not only be placing too great a burden on them but it would also create considerable legal uncertainty.

Certain data must be provided. This includes a more clear and unambiguous wording of legislation. Legislators should not hide their lack of political courage behind too many vague legal concepts and leave the courts to tackle the hazardous work of interpreting them.

It is also necessary to harmonize the national laws on the environment, in particular with regard to the right of appeal. It is unacceptable that in some countries certain projects benefiting the Community as a whole can be blocked for years for purely selfish reasons. Constitutionality yes, legal dogmatism no. Majority decisions reached democratically must also be accepted. Protection of minorities must not become the dictatorship of the minorities.

In another section we propose that neighbouring countries should be included in the planning and running of installations which could have transfrontier effects. In market gardening it is common for refuse tips to be placed right next to a neighbour's land. Many countries unfortunately do the same with polluting industries.

It goes without saying that the cumulative effects of such pollution are considerable. This situation should therefore be rectified accordingly.

With regard to environmental research, we feel that considerably better coordination is required. Millions could be saved in this way. It is unacceptable that everyone should be carrying out research in isolation. Of course, research and study are free, but this refers more to *how* research is conducted than to what is studied. I would also like to mention the social obligations associated with research. Where problems of vital general concern are to be solved and large amounts of money are involved, the interests of the community as

Alber

a whole should take precedence over the mere desire for personal scientific prestige.

We are also very attentive to the environmental protection problems of the Third World. When one considers how many forests and farmland are lost yearly in the Third World, when one considers the fact that deserts are constantly expanding and population figures are soaring, one realizes that we have more than just a time-bomb on our hands.

Environmental protection has nothing to do with romantic idealism. We have been driven out of paradise, and we cannot live on bird-song. But neither is it an obstacle to so-called progress. It is responsibility, responsibility to people, the coming generation, nature and divine creation. That is how we should like our report to be interpreted.

President. — I call Mr Verroken.

Mr Verroken, rapporteur. — (NL) Mr President, ladies and gentlemen, everyone in the world is currently so taken up with concern for his own existence, that precious little attention is paid to problems involving threatened species which are in danger of becoming extinct. Even in this Parliament, there is hardly time for a large-scale debate on the environment.

In the short time available to me as rapporteur, I shall merely give a brief description of the situation. An enormous number of words have been bandied about in all the various countries over the last ten years regarding the subject on which I was appointed to draw up a report on behalf of the Committee on the Environment. Since the beginning of the 18th century, it is reckoned that some 300 species have died out. According to the well-known Red Data Book, a further 600 species are currently threatened with extinction — and at a rate of at least one species per year. It is to be assumed that, for all his technological know-how, man will never be able to bring a single one of these species back to life. The most vulnerable species are undoubtedly those which migrate from one country or continent to another. National measures cannot help here. In 1972, the first world environment conference took place and I had the pleasure of taking part in it on behalf of my country. One of the results of this conference was the drawing up and unanimous adoption of Recommendation No 32 which states that the governments must endeavour to conclude international conventions and agreements to protect animal species that live in international waters or migrate from one country to another.

What has happened since then? In June 1979, i.e. seven years later, at the initiative of the Federal Republic of Germany, a diplomatic conference was organized. Of the 160 UNO countries, 60 took part

and the Commission was also authorized by the Council to participate. The result of this conference was the Bonn Convention on the protection of migratory species. Of the 60 countries, 27 had signed the Convention by 22 June 1980. Of these 27, nine were European countries. However, my country, Belgium, did not sign it and nor did the Community. So far, only four of these 27, i.e. four out of the 160 UNO Member States have ratified the Convention, and of these four only one is a member of the Community, i.e. the Netherlands. The other three are India, Liberia and Portugal. Since 22 June 1980, the Convention has been there for any country to accede to if it so desired. The remaining Community Member States should have decided to ratify the Convention as soon as the Community were to accede to it. Then, if Belgium were to accede to it too, we would be only one short of the 25 accessions necessary for the Convention to come immediately into force. This shows how important the Community's attitude is in this respect.

I would also have liked to have discussed the contents and structure of the Convention, but time does not unfortunately permit. I will just say this, however. There are two annexes to the Convention: Annex I lists 45 of the 600 endangered species for which urgent measures should be taken immediately. Annex II lists various species whose chances of survival are unfavourable. In the case of these species, the Convention aims at creating the possibility of having the problem studied in a scientific manner by appropriate bodies. However, these lists include only two European species and so, for the time being, the huntsmen can relax. According to the Convention, the conference is entitled, on a scientifically responsible basis and provided two thirds of those present take part in the vote, to amend Lists I and II.

Four trends can be detected in the *ad hoc* discussions in the Committee on the Environment and the amendments tabled. Firstly, one can see from the amendments tabled by Mrs Poirier that she is against the Community acceding to the Convention. Competency in this field must remain a matter for the individual countries. As regards migratory birds, according to the Directive on Birds the responsibility should no longer rest with the Member States, or at most only to a limited extent. The second trend is reflected in the amendments tabled by Mrs Poirier and Mrs Pruvot who are opposed to incorporation of the Directive on Birds in this Convention, which is at variance with the wishes and declarations which have been emanating from the Council, Commission, Parliament and the Committee on the Environment for years. On the other hand, there is the fact that every year two thirds of our continental bird species cross the Mediterranean and a third migrate as far as tropical Africa — i.e. a total of about 5 000 million birds. I would also draw your attention to the fact that we in Europe are not all that well-off in this respect since we have only 400 species compared with the world total of 8 600.

Verroken

A third trend is that, as can be seen from the resolution, the basic aim is to include all animals on the Red Data List. This means that it is regarded as a positive list, without a black list of species which can be hunted and exploited. A fourth trend, which is reflected in the philosophy underlying both this Convention and the Convention of Washington, is the view that it is preferable not to have a black list on the assumption that it would be much easier to convince public opinion on the basis of the red list. In spite of certain differences of opinion, this will not change the fact that the aim is basically the same in both cases. Both trends were equally represented in our Committee and certain proposals were adopted, and then rejected because one member or another had been called to the telephone. This does not make things easier for your rapporteur. Some members wanted to use this resolution to draw up a sort of general memorandum, whereas others wanted, if necessary, to restrict the resolution to a single point addressed to Parliament, the Commission and the Council. Don't hesitate and accede to this Convention as soon as possible! In this spirit, we are all waiting for the decision and looking forward to 3 December.

President. — I call Mr Muntingh.

Mr Muntingh, rapporteur. — (NL) Mr President, partly on behalf of the Socialist Group I should like to join the previous rapporteurs in the criticisms they have made and say that I feel disappointed, bitter and even infuriated at the fact that this Parliament is only prepared to allocate so frightfully little time to such a frightfully important question as the protection of our living environment since, if nature is not healthy, people cannot be healthy either. Man lives in, off and with nature. There is no getting away from the fact that man is a part of nature and has his own place in it. He can make use of nature to see to it that he has the wherewithal to survive or he can simply enjoy it, although I think that there are few people who do that. If this takes place in a responsible manner, if man makes 'sustainable use' as the World Conservation Strategy puts it, of nature or, in other words just lives off the interest which the capital known as 'nature' yields, then there is no problem. It is simply a question of give and take and it can go on indefinitely.

Unfortunately, the situation in reality is quite the reverse. Instead of making sensible use of the natural capital of this planet, man squeezes the last drop he can out of it. Ecosystems which have developed over millions of years into a fine balance of life and death, beauty and horror, biological and energy balances, which are for the most part still not understood or have not even been identified yet, are nowadays being destroyed overnight, as if they were nothing, as if they were valueless, as if they were of more consequence than an itch on the back of our hand which we can casually scratch away.

The destruction of our natural resources is proceeding at such an incredible pace and with such dreadful consequences, that it is perfectly in order to speak of an ecological disaster which, if we fail to call a halt to it in the near future, will by the end of this century have consequences on the same scale as a world-wide nuclear war. We would then have lost virtually everything on which our life depends. The earth will consist mainly of eroded mountains and plains, deserts and dead lakes, rivers and seas. Only a few species of birds and mammals, only a few cold-blooded species will inhabit this world, which will be an impoverished world of plants, together with millions upon millions of insects. This will be a world which will no longer be habitable, entirely as a result of man's activities. The ways in which man is working towards his own downfall are innumerable and are regularly brought to our attention here in this Parliament — and today is no exception as we are discussing the way in which man, by means of hunting, which Mrs Pruvot finds so nice, poaching and subsequent trade directly interferes with nature and exploits it.

This way of treating nature is not the most destructive: that prize goes to the agriculture and industrial development which our Community is so good at. Nevertheless, it is an extremely harmful activity for man and nature, which has led to a situation where many plants and animal species have been totally wiped out or are about to be wiped out, as Mr Verroken has just explained.

I should like to quote a few figures to illustrate how incredibly serious the situation is. At present about one species of plant or animal is becoming extinct every day. In ten years' time this figure will be one species per hour, which means that we will be entering the 21st century with one million fewer species than today. Over the next 50 years, this planet will probably lose half of the entire number of plant and animal species currently living on it.

Trade in wild plants and animals is a major factor in this species genocide. I might quote a few examples of this too. In 1925, there were 125 zoos in the world, by 1976 this number had grown to 981.

If one considers that 10-20% of the entire population of an average zoo dies every year, it is clear what sort of a loss this constitutes to the natural environment.

It is not only zoos which make use of these animals and plants — indeed they are not even the most serious offenders. Innumerable animals go to commercial and scientific laboratories where they meet a wretched death. Private owners, so-called 'animal and plant lovers', museums, collectors, restaurants, shops and industries account for millions of specimens each year and as a result of this sort of thing, 350 elephants are killed in Africa every day, for example, simply for the sake of their tusks. And the most disturbing thing is that the vast proportion of these products go to the

Muntingh

western world, to the European Community, the United States and Japan. Thus, the natural resources of this world are being exploited as quickly as possible.

Many people will no doubt say 'yes, but if there are still so many plants and animals left, this is all right'. However, this is a very dangerous way of thinking, since every plant or animal species is a component in the overall natural system and has its own part to play in ensuring that this system is kept in equilibrium. Thus, over-exploitation will ultimately lead to extinction, particularly as there is no natural mechanism to stop this exploitation getting out of hand.

The more rare the plant or animal becomes, the higher the price it can fetch. The demand shifts from the consumer to the collector and exorbitant prices are paid for the last few specimens. The system continues until the species is totally wiped out.

Fortunately, we now have the Washington Convention which attempts to keep this trade in check and it is a particularly good thing — indeed vital — that the European Community should also accede to this convention. The Committee on the Environment welcomes the Commission proposal, although it thinks it could be tidied up a little here and there. I should now like to go into a few of the main points.

First and foremost, there is the question of whether the Washington Convention is aimed at protecting nature or regulating trade, which in turn brings up the question of whether Article 113 or Article 235 of the EEC Treaty is applicable. The Committee on the Environment feels that the aim must be the protection of nature and the regulation of trade the means to that end, and therefore concludes that both Article 113 and Article 235 should serve as the basis for the text.

There is a question as to whether this text should take the form of a regulation or a directive. The Committee on the Environment is in favour of a regulation since this would produce the desired effect more quickly than a directive and would carry equal force in all the Member States, since a regulation is binding in its entirety and it is possible to add to a regulation, i.e. to go further if the regulation provides for this possibility.

This brings me to the major question of whether a Member State of the European Community may go further than indicated by the regulation. The Committee on the Environment takes the view, and — I would stress — regards it as being of the utmost importance that this should be possible. It realizes that there would then be a risk of running foul of Articles 30 and 34 of the EEC Treaty, but it takes the view that this would only apply in the case of the species mentioned in the regulation and the Washington Convention itself. In the case of other species, it must be possible to go further, perhaps by virtue of Article 36 of the Treaty. On analogy with the Directive on Birds, the Committee on the Environment advocates including

these species in a separate annex, broken down by country and species. Our Committee also welcomes the Commission's idea to provide for the possibility of going beyond the Washington Convention in the regulation itself, by, for example, indicating species included in Annex II as species for Annex I by means of a separate Annex C in the regulation since it is hardly possible to go far enough in protecting what is left of nature.

The Committee on the Environment has tabled a number of amendments which I will not go into specifically since they can be found in my report and speak for themselves.

I should like to conclude this section of my contribution by urging the Commission and, in particular, the Council not to delay as far as this regulation is concerned. It would be a very good thing if it could be drawn up at the next meeting of the Council of Environment Ministers. At the beginning of my speech I indicated clearly enough, I hope, how serious the situation is. We cannot wait any longer. Time is pressing both for nature and since — and I cannot repeat this enough — if nature is not healthy, man will not be healthy either.

I should now like to deal very briefly with the amendment tabled by the Socialist Group to the Alber report. I cannot unfortunately go into the amendment to the Verroken report. Our amendment reads as follows: 'Is of the opinion that products and production processes which are banned or considered undesirable in the Community on environmental or public health grounds should not be exported to Third World countries'. I am thinking here particularly of chlorinated hydrocarbons. Our reason for tabling this amendment is that this kind of export, particularly the export of harmful chemical substances, is just not on. Already, a good half million people per year in the Third World suffer from pesticide poisoning. The use of these substances is one of the reasons why entire areas, such as the island of Java, have become ecological deserts where there are literally no more wild animals to be found except for rapidly regenerating species such as rats, mice and insects, which can quickly develop a resistance to chemical substances.

Everyone should know by now that insects have this capacity. Thus, it is not just a question of new poisons being introduced to combat every new sort of insect which has become resistant — which naturally boosts the profits of the companies which export such substances — but there is also the fact that more and more people have to suffer from these pesticides. I also feel that this Parliament must surely adopt this amendment to the Alber report. I will leave it at that. I really regret the fact that I cannot go into the report by Mr Verroken, but since he and I are, generally speaking, entirely in agreement, I am sure, he will not object.

(Applause)

President. — I call Mr Irmer to take the place of Mr De Gucht as draftsman of an opinion for the Legal Affairs Committee.

Mr Irmer. — (DE) Mr President, Mr De Gucht has unfortunately had to leave and has asked me to take his place in presenting the opinion of the Legal Affairs Committee. This will be very dry after the lively and interesting reports. I would first like to congratulate the rapporteur, Mr Alber, not only on his practical proposals but also on the way in which he presented his report. The Legal Affairs Committee was unable to examine each of the measures proposed by the rapporteur, because they were too numerous and varied. Instead, it proposes that it will in future present a reasoned opinion on each proposal submitted by the Commission for the purpose of approximating the relevant national legislations.

As far as the basic questions of more direct concern to the Legal Affairs Committee are concerned, the Committee was delighted to note that the leading Committee has adopted most of its proposals and ideas. I am referring, in particular, to our request for the harmonization of legislations, especially where this is necessary to eliminate any distortions in competition as a result of differing national legal and administrative provisions, and also to our request that Community provisions should constitute a basic minimum, i.e. they should not affect the Member States' powers to introduce or apply environmental provisions which provide additional protection.

Lastly, the Legal Affairs Committee would like to draw your attention to a decision of the Court of Justice of the European Communities of 30 November 1976, which it regards as highly interesting. It relates to conflicts of competence in cases where water and/or air pollution extends over several Member States — in other words, quite a common problem. The Court of Justice decided that if the place in which an unlawful practice has given rise to a claim for compensation is not the same as the place in which the pollution originates, the 'place' in which pollution occurs denotes both the place in which the damage occurs and the place in which the pollution originates.

This means that the plaintiff can take the defendant to court either in the country where the damage occurs or where it originates. I think this is a very, very sound decision by the Court of Justice which treats environmental protection as a transfrontier problem. I think this is a progressive decision. The Court of Justice has shown once again that it is one of the Community institutions which places great emphasis on Community interests.

President. — I call the Socialist Group.

Mrs Weber. — (DE) Mr President, ladies and gentlemen, there is no shortage of predictions concerning the future of mankind. Since the forecasts made by the Club of Rome, the prediction that we will have problems in the field of population development, the supply of raw materials and energy and with the environment has a familiar ring. The methodology of many of these studies has been criticized, and many of the calculations made therein may be inaccurate. However, in the report to the American President entitled 'Global 2000', the trends underlying these predictions are emphatically reaffirmed, though it is still cautious in its assessments.

What is important today is summed up in the title of the follow-up report — 'Time to Act', it is indeed time to act. As democratically elected politicians we are obliged to do our utmost to safeguard the natural foundations of our existence. If we do not take steps to avoid danger, future generations will be justified in asking what we really did.

We have no more time to lose in view of the alarming developments which have already occurred in individual fields, e.g. in the environment. We need only think about the widespread destruction of animal species referred to a moment ago by Mr Muntingh and Mr Verroken, and of the clearance of tropical forests which will have shrunk by about 40% by the year 2000 in the underdeveloped countries, where forests are vital to existence and are not intended for Sunday afternoon walks.

I believe that the new initiative from the USA in addition to the other ideas, such as the World Conservation Strategy, must lead to a reappraisal of Community policy. Unless the Member States cooperate, we will be unable to correlate the factors which are becoming increasingly keenly felt in the economic, energy and environmental spheres.

Our measures take far too little account of the interrelationships between the various fields of activity and the consequences of these. How many directives — including those dealing with ecological matters — have still to be decided upon by Parliament's Legal Affairs Committee? How seriously is the question of resources dealt with in tackling economic problems? Mr Alber gave a very clear account of these interrelationships in his report.

The fact that the subject of environmental tolerances has been struck off the agenda is a further indication of the lack of understanding for such problems, and we in the committee considered at my suggestion whether a kind of questionnaire should be sent to all other committees in order to establish a link between these committees and ourselves. Unfortunately, we failed. Not even the rapporteur was aware of the questions we had asked.

That is why I proposed in my draft amendment to Mr Alber's motion for a resolution that a consultative

Weber

committee should be set up in the Commission which would turn its attention to future developments and include them in our present policy making. This is necessary because of the overall responsibility of the European Communities, which because of its economic strength has the necessary financial resources but, owing to its need for raw materials, energy and foodstuffs, is a definite factor in helping to worsen the situation and thus has considerable influence on world developments.

We — both the Commission and the Council — should ask ourselves to what extent we have examined our policy in the light of these medium and long-term considerations. Time is running out. Hence my proposal to set up a consultative committee whose main task would be to help the Commission to include future developments in its current activities. I should also mention the effects of the Community farm policy from the opposite standpoint. If more account had been taken previously of future developments today's agricultural situation would certainly not have arisen.

The committee should first of all combine the various political fields and then start to issue research contracts to Europe's best research institutes in order to give an indication of the danger areas for the next twenty to thirty years, since it will be impossible merely to apply the American analyses and strategies to Europe. We need to have an idea of the situation as it specifically affects Europe.

At the same time I would like to warn against too much unquestioning belief in science. This report does not prejudice the political decision which we reach.

'Global 2000' shows that such an analysis can be viewed differently from different scientific standpoints. Some people regard it as too optimistic others as much too pessimistic. We must all take the decision, but we all agree that our demands should be combined. Let us not make the same mistake again. Let us tackle the world problems of population, resources and the environment in good time and thoroughly, while we still have the power to do so. It is time to act!

IN THE CHAIR: MR MØLLER

Vice-President

President. — I call the Group of the European People's Party (Christian-Democratic Group).

Mrs Lentz-Cornette. — (FR) Mr President, allow me first of all to thank Mr Alber for his excellent report and speech. This initiative was all the more necessary

and useful since the second action programme is due to end in a month's time and the third programme is due to begin at the start of 1982.

Like Mr Alber we regret that it has taken so long — since May of this year — before this report was presented to Parliament. At more or less the same time the third programme will be sent to the Council, and the Environment Ministers will have a first exchange of views on 4 December next. We hope that the ideas and the debate on today's report will be taken up to some extent in the Council discussion on the third programme. Like Mr Alber, we would like to know from the Commission which of the aims of the first and second programmes have been achieved, which others have remained in suspense, and for what reasons it was not possible to achieve the latter.

If the two earlier programmes concentrated on the fight against pollution and harmful factors, the third programme aims at an overall and above all preventive policy, and we are very pleased at this. The socio-economic context of the 1980s is very different from that of the 1970s. The Community is now facing major problems such as unemployment, inflation, energy supplies, etc., which could hardly have been foreseen ten years ago. But in parallel with the slowing down in economic growth, individuals and authorities alike have developed a new awareness. This awareness arises from the often anarchic development of industries, the considerable increase in numbers of motor vehicles, and the ill-considered use of fertilizers and pesticides in agriculture. The public authorities have discovered to what extent pollution problems — i.e. environmental problems — must be one of their main concerns. Similarly, each of us must become aware of the danger. Each of us must contribute in his or her way to ensure that the environment in which he or she lives does not, slowly but surely, deteriorate.

The ten countries of the Community have in their turn created more or less complete national programmes and environmental policies. But given the cross-frontier nature — which Mr Irmer has just mentioned — of most pollution, whether atmospheric or aquatic, there is an urgent need to develop an overall Community strategy on the environment. That would avoid distortions of competition and create similar conditions for the various industries with regard to setting up factories, making products, and transporting those products. The strategy must cover research and the spread of acquired knowledge, which also covers the effects on the environment, with which the Weber report will deal. It will be applicable to any construction of factories, public works or private works.

As Mr Alber has just said, economics can no longer be separated from ecology. Taking environmental effects into account must be a central element in the creation of any future Community policy, whether for industrial production, agricultural production, research or

Lentz-Cornette

relations with developing countries. The ecological attitude does not lead to the loss of jobs — on the contrary, it can equally well lead to the creation of new jobs, by stimulating advanced industrial sectors in the field of less polluting equipment and processes. A good example is the insulation industry, which has developed as a result of high oil prices.

Mr Alber recommends a series of priority measures, of which I shall mention only a few, all of which are very important. It is a question of developing non-pollution technologies and replacement industries, of reducing the harmful effects of motor vehicles — I am thinking of noise and exhaust gases — and of the fight against marine pollution, about which much has already been said and much will still be said, of monitoring the effects of chemical substances, etc. In this context, there is an urgent and important need to draw up a list of dangerous chemical substances and study their short-term and long-term effects in soil and water.

In the medium-term strategy, the rapporteur proposes more careful consumption of raw materials. Natural resources are the basis, but also the constraining factor, of all economic and social development. The thrifty and rational use of raw materials implies reduction, recycling and elimination of waste, both for the management of waters and the protection of soil, sea and breathable air. The same applies to the protection of fauna and flora. The existing Community Directives must be implemented without fail. That cannot be done without fixing common sampling standards, and also penalties for countries which do not respect them.

For centuries Western man has sought mastery over nature, and has used natural resources without a thought for the damage caused. Living is from now on a permanent challenge — a challenge which we shall only meet if we are capable of establishing a new relationship with nature. This relationship must no longer be one of force between man and the resources of the earth, including fauna and flora, but a state of balance between man and his environment.

President. — I call the European Democratic Group.

Mr Johnson. — Mr President, it is almost ten years since the United Nations conference in Stockholm in 1972 which alerted many of us — many people all round the world — to the problems of the environment. In October 1972, as everybody knows now, the European Community itself worked out and adopted a programme at the meeting of Heads of Government in Paris, the fully-fledged text of which was adopted a year later.

That programme has been going ahead now for eight or nine years. The Community started off by very much emphasizing pollution — the need to get the worst forms of industrial pollution under control in

the Member States of the Community. Of course some of the reasons we have heard this afternoon as to why that was important from the point of view of competition and trade were obvious.

Those first few years were, as I say, concentrated on pollution. More recently — and this is something we have welcomed in this House — there has been a new emphasis: that on the protection and conservation of nature and the planning and rational management of resources. Two of the documents we have before us today — the Verroken report and the Muntingh report — very much fall within that area of the Community's environmental concern — the conservation and protection of fauna and flora, the protection of resources which, if you like, can be and are being irreversibly damaged. I say 'irreversibly' because you cannot bring a species back once it has disappeared, and even protecting it in a zoo is hardly a substitute.

We welcome this second thrust in the Community's action programme on the environment. We welcome the way the programme, having been first adopted in 1973, was refined in 1976 and we welcome, too, the way the Commission is thinking now about the new dimensions of its environmental programme.

It is particularly in this connection that we are lucky to have Mr Alber's report. It forms, as it were, a bridge, since it looks back at the first two programmes, at the Commission's document which gave a commentary on the achievements of those first two programmes, and it looks forward as well.

We have the document from Mr Alber at the same time as we have the Commission's proposals for its third environment programme, and I am glad to say there is a great deal of common thinking in these two. It is almost as though there had been some contact between the two institutions — perhaps there has been. In stressing, as the third programme does and the second programme in part did, the need for the wise management of resources, the need for the proper use of space, we are moving, as was said by Mrs Lentz-Cornette a moment ago, towards the notion that the environment is not only compatible with economics but is the necessary underpinning of any sustainable economic growth. That is something this Parliament has to understand. It is something that people at large have to understand. It is something that the politicians in particular have to understand, because they are inevitably interested in economic growth. And if they understand how a properly-oriented ecological approach is a necessary part of economic growth, then they may indeed be much more favourable to the kind of things these reports stand for.

In the few minutes which I have, I want not really to speak about what has been done but to say a couple of things which still need to be emphasized in this third programme. After all, we still have a chance here,

Johnson

because the third programme is going before the Council and there will be discussions on it.

The first is the international dimension, which was very much a feature of the first two programmes and is becoming more and more important. We had a little example this afternoon when we discussed the Rhine, and it was nice to hear the Commissioner's moderate comments on that issue; but the Community's participation in many of these international conventions is becoming more and more crucial. CITES, which is the subject of Mr Muntingh's report, is a case in point; the Law of the Sea Conference, which has enormous environmental implications, is another; and I would like to see the Commission — we have of course already discussed this in the House — think again about what can be done on a Community basis to work towards environmental régimes in deep-sea mining.

I throw in two more international examples where I feel we have not done enough thinking as a Community. The first is the rain forests. If there is one world environmental issue today it is the disruption of the tropical rain forests, particularly in Latin America and in those parts of Africa which still have tropical rain forests. It is not something of remote concern to the Community, it is of very real concern, and the Community, acting either jointly as a Community or severally through the Member States, has a real possibility of influencing what is happening. It is not necessary to destroy tropical rain forests at random. We have enormous leverage one way or another, through our aid programmes, through our diplomatic contacts with countries like Brazil, and we should not be afraid of using them. We of course also participate, as a Community, very effectively in the World Bank and in the United Nations, and the more we can use our influence to bend those bodies towards taking greater thought for the environmental dimension in their aid programmes, the more important it will be. That is the *volet*, if you like, which I would like to see built in very much more to the third action programme of the Community. Of course it features, but it is, to my mind, one of the most important gaps.

I am sorry not to see specific reference to what we have fought for so much over the last few years here in this Parliament, and that is the environmental financing facilities — the so-called environment fund. I am particularly sorry not to see that referred to at a time when the Parliament has sent back to the Council four lines with money on the line in our budgetary debate, has added one more line as a result of Mr Muntingh's sterling efforts — that is to do with ecology in developing countries. The fact that the Commission has been slightly unexplicit about the environment fund in its third programme is a little disappointing. I would not like it to slip through without a good deal of thought being given by the Commission as to how this might not be made a little more explicit — because, believe me, we shall want to see it explicitly mentioned in the final text of that programme.

There are one or two amendments standing in the name of my group, and I move them formally here today. I also move some from Mr Seligman, who will not be here, relating to energy.

I want to congratulate all three rapporteurs, and I am delighted that on a very busy day which has seen two Foreign Ministers and much other activity, we are able to have this important debate on the environment.

President. — I call the Communist and Allies Group.

Mrs Squarcialupi. — (*IT*) Mr President, of course we must be pleased that this debate on the environment is being held, although it is a mutilated debate in the sense that the most important directive in terms of political content is lacking — the one which raised two substantial problems, environmental protection on the one hand and the need for productivity on the other.

Unfortunately, given the short time at my disposal, I cannot go into the details of the three reports, on which I compliment their authors. I shall therefore confine myself to general questions. First and foremost I wonder if the question which used to be put — whether environmental protection is incompatible with economic growth, or the protection of nature with human activities — is still valid.

Hitherto, protection of the environment has come up against the laws of the free market — private calculations in economic choices, sharp practice and speculation. The young people in the ecological movements and in the peace movement have recently carried placards bearing a picture of the earth, below which was written the simple sentence 'This is all we have'. We must therefore defend it — I would add — not only against nuclear dangers but also against pollution.

Yet up to now economic growth has meant environmental deterioration. We should try to change this equation. We should be able to say that protection and enhancement of nature must represent new opportunities for development. Natural resources must begin to form a part — and do form a part — of the wealth which economic activity must not waste or dissipate. We must therefore think of economic activities capable of re-enhancing and reconstituting natural resources.

The environment must not be a burden on productivity but must itself constitute productivity. This requires the involvement of a complex network of disciplines, and above all of a new culture. Traditional economic accounting must be extended to include the costs created by pollution and misuse of resources, which also lead in the long term to enormous social costs, borne by the Community as a whole.

Squarcialupi

The European Community succeeds in working out advanced environmental strategies, but between their preparation by the Commission and their implementation there is the intervention of pressure groups who take a myopic view without considering the social costs of pollution borne by society as a whole.

It is easy to argue, as many politicians do today, that in a period of crisis environmental protection is a luxury. In reality, environmental policy must be a basic element for economic growth, and is essential to the policy of growth — a growth which would eliminate the high costs paid by society.

Of course, the environment has no place in the type of growth which we have had up to now — an uncontrolled growth, which in any case has failed, as we can see from the almost 10 million unemployed in the Community countries.

Community environmental policy must therefore be closely linked with economic policy, and not only in intentions. It must no longer be a defensive policy but a policy of initiative.

Industrial restructuring, which has become essential in our countries, cannot continue to be dissociated from environmental policy. Similarly, a re-organization of employment — which is what young people hope for — can no longer be separated from questions of environment and health.

The environment is therefore an interdisciplinary matter, and political will and scientific know-how must be mobilized in its service.

In his report Mr Alber accepted many of our proposals, including that of giving priority to research and the use of 'clean' technologies and raw materials, since this priority marks a change in the development of production itself.

However, there are currently many signs which do not arouse hope for the immediate future of our environment. There are dozens of directives waiting for Council approval. Many Member States, including Italy, have badly failed to implement Community directives and do not take action even following judgments by the Court of Justice. We are tormented by noise. Yet hardly any of directives against noise approved by Parliament in recent years have been adopted by the Council.

A short time ago, the Vice-President of the Commission, Mr Natali, said that if production were to reach the level of five or ten years ago we would be submerged by an intolerable level of pollution. In other words, if pollution in Europe has not everywhere exceeded the safety level, it is also because of the recession, unemployment and the closure of so many factories.

One should also stress that pollution does not happen by chance. There are precise cases of connivance, which many political forces, even within our Committee, do not have the courage to condemn. In short, there is a whole series of responsibilities which require us seriously to search our consciences, if we really wish to talk of protecting the environment and to tackle one of the typical — but not inevitable — problems of industrial society — pollution and waste of resources.

Our society is now trying to export this waste and pollution to the developing countries, thereby inflicting on these countries a distorted development which would not help to solve underdevelopment problems in the right way, even if at the moment it seems to provide a few crumbs of comfort.

(Applause from the left)

President. — I call the Liberal and Democratic Group.

Mr Combe. — *(FR)* Mr President, environmental problems do not seem to interest Parliament particularly, to judge by the number of empty seats. Some of us here regret that.

On behalf of my Group, I would like to congratulate and thank the rapporteur, Mr Alber, for the excellent work he has done. Indeed, the report is an extremely clear document which brings out the points which are essential to the drawing up of an environmental action programme. The various difficulties encountered in environmental policy have never been presented to us so clearly. For that, too, the rapporteur deserves our thanks.

That is why my speech will be brief, since I do not wish in the plenary sitting to dwell over what we said in our committee, and I agree with the excellent remarks made by most of the previous speakers.

However, I have tabled two amendments to this report, which are in the same spirit.

Indeed, it seems to me that in the cross-frontier context the problems of the effects on the environment must be examined through bilateral agreements between States. This principle should be the rule, particularly in the nuclear sector. It is very clear that in this case the difficulties must be tackled first and foremost among the States concerned. The speed and efficacy of action in case of accident is at stake. The responsibility for the decisions to be taken cannot be entrusted to an administrative body far from the site concerned. They must be quickly taken by experts who also have a good knowledge of the local structures and environment. The frontier States must reach agreements providing for mutual help in case of accident. This is what happens in practice in any case.

Combe

Apart from the nuclear problem, it seems logical to me that environmental problems in general when they arise between bordering States should be discussed between the parties concerned. One cannot foist on to third parties a responsibility which is not theirs. Those commissioning the works have the responsibility, and it is undesirable that third parties not directly involved should come to co-manage works in which they have no interest. It is for these reasons that I have tabled these two amendments which, I think, will further improve the report and which should have the support — at least I hope so — of our rapporteur and of Parliament as a whole.

On Mr Muntingh's report on the Washington Convention, I would like to thank the rapporteur for his responsible proposals on protection of threatened species of wild fauna and flora. Indeed, it is desirable that measures be taken to protect animal or vegetable species threatened with extinction, and our Parliament has a duty to examine this important question and express a view as quickly as possible.

The present draft regulation seeks to ban trade in the species listed in Annex I and protect some species which are sometimes linked to economic questions. One can always say that one should ignore it. One can always dream collectively, but even so we should discuss it, for there are undertakings whose activities in Europe are based on products derived from some animal species. It is bad, it should not be done, but it is done. This applies particularly to turtle shells, crocodiles and caymans. It should be banned, and I share the feelings of the rapporteur. Nevertheless, the immediate consequence of this ban would be the closure of undertakings specializing in the processing of turtle shell, and the tanning and fine leather-working undertakings, which would aggravate unemployment in the Community. I do not say this to play on your feelings, I say it because it is true, just as I do not wish to question the Convention.

I would like it to be adopted. For these species, I have thought about a solution which would have the merit of compensating those who suffer losses and providing for a transition period which would enable these undertakings to carry out restructuring. That is the aim of one of the amendments I have tabled.

Moreover, this limited derogation period would have to be used for the creation of breeding centres for these species. Five years are necessary to set up these installations and achieve a positive result with regard to breeding.

I know that such centres exist, still experimental for turtles, but at a much more advanced stage for crocodile breeding, for example in Singapore.

Without questioning the principle contained in the draft regulation, it seems desirable to me that a derogation for a limited period for these species should be

adopted by Parliament. Our group will decide, according to the attitude taken to the amendments tabled, on how it will vote on the whole draft, for it seems to it essential to think of everything if we wish our measures to be effective.

In conclusion, I would like to thank the three rapporteurs, and I ask one of my colleagues to excuse me for not dealing in particular with his report — it is because I fully support it, and all the members of my group will support it.

President. — I call Mr Bournias.

Mr Bournias. — (GR) Mr President, there can be no doubt about the need for a third action programme on the protection of the environment. The subject is of such major importance that a lot of time was rightly devoted to it by the Committee on the Environment, Public Health and Consumer Protection, whose rapporteur, Mr Alber, drew up the motion for a resolution now before us, which goes into all the ramifications of the subject — a subject which is explained fully to us in this reasoned report and in the opinion of the Legal Affairs Committee. The documents submitted to us, and on which I extend my warm congratulations to the rapporteur, Mr Alber, show that, although protection of the environment is not explicitly covered in the Treaty of Rome — because at the time the Treaty was signed the problem did not have the dimensions it subsequently assumed — the Community has taken prompt action in the form of the two programmes implemented since 1971.

Time prevents my going into details, but I feel I must stress the change in the method of environmental protection, which is not restricted to the simple repair of damage, but extends to measures to prevent such damage being caused. I must also stress the priorities of the third action programme, as laid down in paragraph 19 of the motion, as well as what is said in paragraphs 37 to 41 about preventing pollution of the sea. In addition, paragraphs 42 to 46 on the air and the atmosphere are of particular importance, although this in no way detracts from the importance of the chapter on ecology and development in both the Community and the countries of the Third World. One need only remember that the problems affecting nature and the environment have led to the creation, in our various countries, of political parties which, although they were initially of little importance, have influenced public thinking and are now political forces to be reckoned with, as the recent elections in Belgium have shown.

Let me emphasize the recommendations made in the motion:

Firstly, harmonization of national legislation on the environment should be promoted.

Bournias

Secondly, the exchange of information between countries should be extended, and a fund for the protection of the environment should be set up with adequate resources.

Finally, I believe it is essential to have close cooperation between the directorates-general for development, energy and research, and the economic bodies of the Commission, and the United Nations bodies specializing in the field of environmental protection.

(Applause)

President. — I call Mr Collins.

Mr Collins, Chairman of the Committee on the Environment, Public Health and Consumer Protection. — Mr President, I must begin by expressing my absolute disgust that this debate, which is an important debate, has been cut in half because an environmental impact assessment had to be taken from the agenda and the whole thing has been pushed back to 6.40 p.m. in front of an empty House. I think it is shameful; I think it is a shocking reflection on the way this House conducts its business; and I sincerely hope that it will be a salutary lesson to those people who have been responsible for messing it around. I hope it will not happen again.

I want to ask a few questions, Mr President, about environmental policy in the Community, because it does seem to me that if we take an overall view of environmental policy, then there are some things which need to be refuted and some which need to be questioned. We are told, for example, that Member States might be able to deal adequately with environmental policy themselves. I would like to say to the House that this is not possible. In the Committee on the Environment, Public Health and Consumer Protection and in the Socialist Group, we reject this view completely and entirely. There is a need for an environment programme at international level. I said in the budget debate, and I will say it again, that if the European Community collapsed tomorrow — and mind you, if it were left to the Bureau of this Parliament it might well do that — then the fact of the matter is that new agreements would be necessary at international level, and, frankly, we believe that it is better to have a sound and common approach than a series of conflicting bilateral arrangements.

Secondly, we are sometimes told in the Committee on the Environment, Public Health and Consumer Protection that it is bad economics to impose or maintain controls at a time of recession. Again I would like to refute that wholeheartedly. It is not wasteful, it is not bad economics at all, because the fact of the matter is that we are dealing in environmental policy with resources and with species that are often irreplaceable. Proper management and vigilance is therefore necessary otherwise we shall simply have a

progressive deterioration in environment and a long-term economic, demographic and agricultural crisis.

Thirdly, we are told that the environment is merely a distraction from the main issues of peace or unemployment or whatever, that we are merely involved in some kind of distracting debate.

Mr President, this is not a distraction, it is one of the main issues. It is one of the main issues not just for people in this Parliament but for mankind itself. Quality of life is crucial and I have no doubt, and the Socialist Group has no doubt, that one of the fundamental battles in which we are engaged is between the short-term exploiters out for a quick profit and the concern to maintain for our future generations a planet that still has the aesthetic, economic and environmental resources needed for a truly civilized and peaceful society. The battle for the environment is really with the Philistines. It is with the get-rich-quick brigade. It is with the wreckers and destroyers.

We are sometimes told that the champions of the environmental cause are merely ecofreaks with apocalyptic views of the future and romantic views of the past. If that is true, if the young people who have joined in the movement for environmental reform have a gloomy view of the future, then, Mr President, it is because, frankly, it has very often been forced upon them by a society whose lemming-like behaviour and concern only for the present make it appear that there is no future at all. It is in this light, then, that we see environmental policy in the Community in several perspectives.

First of all, there is a need to be selective in what we do. Priorities are the language of socialism. The choices may sometimes be difficult, but we must tackle the truly international problems — the Rhine pollution, the Mediterranean, transfrontier problems and so on — and be very clear about where the national problems can be left with national governments. We need a clear declaration of priorities for the Community, because unfortunately we do not have the financial resources to deal with everything. Therefore it is only good practice to be selective in the policies that we adopt. The last thing we need is a dreary catalogue, a pathetic list of great fires that have been fought with nothing but water-pistols.

Secondly, we need to bring environmental policy to bear on all other areas of activity in the Community. Agriculture, energy, economic policy and transport are all involved, and we must adopt an environmental and ecological approach to all of these. I would like to say too, in support of some things that have already been said, that we need to see our policies in an even wider context. We need to see them in the first place in relation to our immediate neighbours in EFTA and the Comecon countries. Through consultation and discussion with them, we could do very much to direct our political activities towards a wider and more

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complete picture of Europe. Furthermore, we must appreciate our responsibilities to the Third World in programmes of aid and trade and attitudes towards economic development. In our policies on exports of potentially harmful chemicals, we have got to recognize the effect on already endangered species and on the capacity of the land to feed the population of the future.

On the detailed policies themselves, we accept, of course, that the Commission has made progress in the last few years. Several of its proposals have made significant contributions to environmental protection, and I don't think that I need to go into these in detail. I do want to emphasize, however, that one of the most difficult problems confronting us is that of implementation. It is therefore necessary that the Commission should engage in some public self-criticism, so that we can know why some programmes have been less successful than they might have been. Is it because national programmes have not so far been properly coordinated? Is it because of lack of staff? Is there a lack of political will in the Member States? We have got to be told in this Parliament, and we hope that the Commission will take this to heart.

Mr President, both as Socialist Group spokesman and as chairman of the committee I believe that it is necessary to change the structure of consultation with the European Parliament. If Mr Genscher's statement this morning is to be turned into anything at all for the future, then the European Parliament has to be given greater opportunity to bring democracy and accountability into the working of the Community. I therefore believe it is necessary that the Parliament should, *via* its Committee on the Environment, Public Health and Consumer Protection in this case, be involved much more clearly and at an earlier stage in the discussions that bring political priorities to bear on technical proposals. The political work is not the work of the Commission. The political work is the work of the directly elected European Parliament, and don't let anyone forget it!

Finally, Mr President, the Socialist Group will be supporting all these proposals, with our amendments, which of course, we believe have improved them no end.

President. — I call Mr Sayn-Wittgenstein-Berleburg.

Mr Sayn-Wittgenstein-Berleburg. — (DE) Mr President, it is twelve years, I think, since the first conference on the environment held in Washington. I took part, and my contribution opened with the following sentence:

It is about time that we do something about this problem because otherwise we are going to suffocate slowly but surely in our own muck.

A great deal has happened since then, but a great deal remains to be done. The problems will have to be tackled unemotionally and pragmatically in conjunction with economic institutions but also with local authorities.

I think we can state plainly that man is the world's worst beast of prey, but he can defend himself. Animals and plants are at his mercy. The EPP Group therefore welcomes the Commission proposal which aims, pursuant to the Washington agreement on the protection of animal and plant species, to create a common framework to improve the protection of animals and plants threatened with extinction. This agreement is the most comprehensive international convention on nature conservation. So far it has been signed by 74 countries. The aim of the Commission proposal, which is to establish freedom of movement for endangered species of fauna and flora, i.e. to set up a real internal market in the Community, is a welcome move from both the general economic and political standpoints.

As President of the World Wildlife Fund in Germany I observed the debate concerning uniform Community provisions on the basis of this international agreement with great interest, but also with concern. The WWF has even set up a special centre for the protection of animal and plant species which seeks to improve the implementation of the Washington agreement and monitor the restrictions on trade in threatened species of fauna and flora in our country. In any case there must be a guarantee that new provisions within the EEC will not weaken the agreement, but rather strengthen it. I believe this end is served by the motion tabled by Mr Muntingh, to whom I would like to extend my warmest thanks, since it backs up the Commission proposal with important arguments in favour of the protection of animal and plant species. We also support the amendments to this report tabled by the Committee on the Environment, Public Health and Consumer Protection. However, we are by no means in agreement with amendments Nos 2 and 4, which are contrary to the spirit of the protection of animal and plant species.

I have the following comment to make on the Commission proposal: the common trade policy to which it refers, i.e. the trade instruments of the Washington agreement, are only a means to an end as far as species protection is concerned. Article 113 of the EEC Treaty is therefore not the proper legal basis. Support should be given instead to the Commission proposal, which, on the basis of Article 235 of the Treaty, is effectively a regulation in the field of environmental protection.

I also welcome these Community provisions because they make it possible for the Washington agreement to be applied to Community countries which have not yet signed the agreement, that is the Benelux countries, Ireland and Greece. If uniform Community provisions

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are to be adopted, the reservations of three Community countries — France, Italy and the Federal Republic of Germany — against the full protection of some species of fauna must be dropped. The animals concerned are mainly crocodiles and other species of reptiles of importance to the leather industry. Paragraphs 10 and 11 of the preamble to the motion for a resolution, which refer to the free movement of goods within the Community and to possible distortions in competition, should in my view be deleted without replacement, since the agreement is concerned with the protection of animals and plant species rather than with trade.

The grave danger facing numerous species of animals and plants makes it necessary, under uniform Community provisions, for the Member States to be able to take stricter measures than those provided for in the regulation. An attempt should therefore be made to introduce common penalties for infringements against the agreement. Germany has certain misgivings about the Commission proposal because it feels that it could lead to excessive bureaucracy and a considerable increase in administrative costs for the Community countries in which the agreement is already operating fairly well, despite the complexity of the whole problem. This is particularly true in the case of Germany. The proposal raises the danger that this system, which operates on a practical basis, may be harmed and replaced by new and more complicated procedures with different formal requirements.

I can also see that there is a danger that some importers may seize the opportunity of selling their goods through the Member States which have less strict customs controls or less experience in implementing the agreement, or which create least difficulty in granting approval. This is the real problem entailed by the elimination of intra-Community customs controls; it is a thorny problem, but it must be dealt with. There is a danger that the regulation may lead to shifts in foreign trade and in the movement of goods in order to avoid strict controls operated by certain Member States in trade with third countries. I regard this as the greatest weakness of the proposal.

I would also like to make an urgent appeal to Parliament on behalf of the World Wildlife Fund: the Commission should adopt the proposal in such a form as to provide the best possible means of meeting the requirements of an effective and feasible form of protection for animals and plants whose existence is threatened by international trade.

President. — I call Mr Tyrrell.

Mr Tyrrell. — Mr President, in two minutes you will hardly expect my contribution to this debate to be striking. I make it only because my colleague Mr Turner, who was to have made it, has had to return to

Suffolk, an area which he represents and which is, of course, one of the most beautiful counties of a beautiful country. No one can read Mr Alber's report, on which I congratulate him, without having a sense of nostalgia for the countryside in which we were born and brought up and a thrill at the prospect which he holds out for us in the future, if the programme which he envisages is realized.

Mr Turner has drawn my attention particularly to paragraph 58 of the report, in which Mr Alber suggests that the next action should include

... promoting the conservation of nature and the landscape and ensuring that nature preserves, areas of outstanding natural beauty and the natural courses of rivers are unspoilt, ...

It is a lovely thought. It continues,

... areas no longer under cultivation are revitalized, wetlands are preserved and restored ...

Now it so happens that in Suffolk they have had a wetlands programme and they have their historic meadows which have been preserved from the plough and kept free from all chemicals. They are very beautiful little areas where the buttercups and daisies sprout in the spring and summer. In a sense they are outdoor museums. They are England preserved as a place of beauty. One can't have England completely bespattered with outdoor museums, but there is no reason why one shouldn't have larger areas which need not be tended with the same love and care, with trowel and fork, as the historic meadows of Suffolk, but which are nevertheless preserved as areas of pastoral land, particularly by the waterside.

Now, as I understand it, the EAGGF has, through its policies, been tempting farmers to plough up these areas. I must say I regard this as a matter of enormous regret. One would like to see the EAGGF's policies so developed that they were able to ensure that the direction of their grants did not destroy these beautiful pastoral areas but preserved the wetlands for cattle and thus the beauty to which we have been applying our minds and imagination — not, of course, in this Chamber — could be better realized. So, in the tiny space of time in the life of this Parliament allotted to me tonight, may I make that plea?

President. — I call Mrs Poirier.

Mrs Poirier. — (FR) Mr President, we think the Community can help to protect the environment in general, and wild fauna in particular. But at the same time we think we should not give way to those who, by painting a deliberately catastrophic picture, claim that the population at large and people in general are responsible for the deterioration, and who also have a real obsession — to eliminate popular hunting where it exists. We think that everything should be done to urge the Member States to take concerted action to protect threatened species, but we must say clearly that

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most of the threatened species are not hunted species. The migrating species pose particular problems, for they have to find food — whether plants or insects — resting places, and breeding places. These problems concern all migratory flights — i.e. 5 000 million birds for the European countries. As envisaged by the Bonn Convention, this is a matter for cooperation, scientific research, energetic measures against polluters of all kinds, exchange of experiences and free agreements between the States occupying precise distribution areas.

The number of each species taken by hunters is infinitesimal, particularly if no trade in them is to be allowed, as the French hunters are asking. To talk of a massacre or regard hunting as the main cause of impoverishment of nature in Europe, as Mr Muntingh does in one of his reports, is ridiculous. It is up to the States to regulate and organize this human activity, which is compatible — as the hunters can demonstrate — with protection of fauna.

And I think it is primarily this idea which divides us from the reports presented this evening. I think this example of hunting can be generalized to all environmental questions. Too often, as Mr Alber says, the Community uses the environment as a corrective for other policies. Too often it is a pretext for agricultural, industrial or trade policy orientations which run counter to the interests of our peoples, their freedom, living conditions and work. And this takes place even while the sea is polluted by waste of all kinds, and rivers, natural coastal and forestry areas and sites are ravaged on a large scale for the sake of profit.

Mr President, in our view the necessary cooperation on environmental questions has no chance of success unless it is based on the freedom of States and on the basic idea that it is the people who must have the means to act, for they are the best placed and have the most interest in managing the environment which they need.

President. — I call Mr Maher.

Mr Maher. — Mr President, I agree with Mr Collins that it is unfortunate that there are so few people who seem to take an interest in a matter that no human being can afford not to be interested in, because all of us are affected by the environment in which we live.

However, as my time is limited I want to refer to one specific aspect. Since I am familiar with the agricultural scene and since I must accept that modern agriculture is to a certain extent a threat to the environment from time to time, I feel we have to exercise more care. I refer specifically to the use of chemicals in agriculture, because undoubtedly in modern times we have changed over to a great degree from the old methods of husbandry to the use of chemicals.

This has come about as a direct consequence of the difficulties that farmers are faced with in trying to get a reasonable living from the soil at a time when there are great pressures on them to keep the price of their products down. Five or six decades ago, the scientists were saying a farmer needed a hundred thousand earthworms per hectare in order to have a fertile soil. There is no mention of earthworms now, because we put in chemicals to do the work the earthworms did before. But at that time production was probably 25% of what it is today. If we were farming at that level, we should, of course, have to have much higher prices for our food. So we have to come to terms with this problem.

If we are to farm in a safe manner so that the food we produce will be more healthy for humans and animals, and if we are to limit the threat to wildlife that can be affected by the chemicals we use, we have got to make up our minds that either we pay a great deal more for the food we produce or we find another way. I would like to see research scientists, soil scientists, collectively working on this problem at European level, because we are wasting tremendous sums of money, each of us in our own country, each group of researchers in their own countries, doing a lot of work that is being duplicated. If we could act more together and make better use of the resources, perhaps we would find better and safer ways to enable farmers to farm, to produce good healthy food, food that would be cheap to the consumer without at the same time being a threat to the environment in which he lives.

That, Mr President, is the recommendation I would make. I want to praise the work done by the various rapporteurs, because I feel, as I said at the outset, that this is something that none of us can afford to ignore.

President. — I call Mr Gondikas.

Mr Gondikas. — (GR) Mr President, when I spoke on the draft budget for 1982 I drew attention to the extreme importance for the Community — as a group of nations — of having a substantial appropriation entered for research and work on the environment.

It is true that in no Community document, neither in the Treaty of Rome nor elsewhere, is there any provision for protection of the environment as a general concept, for the simple reason that the environmental problem was not so acute in early years. By definition, therefore, expenditure on the environment is non-obligatory, and this means that it is up to Parliament to decide at its discretion how, what and how much is to be made available in the way of resources. In this context, Mr Alber's report is not only of importance for us all, but also comes at a fairly critical moment as regards taking decisions and laying down an environmental policy which must be uniform for all the countries of the Community.

Gondikas

It is a fact that, apart from restrictive measures in the environmental sector, it is important and essential to take a series of preventive measures which will require research into various aspects of modern human life before they can be approved. I therefore fully agree with the idea of setting up a fund for the protection of the environment, and I am sure that this will meet with the unanimous agreement of the Council, which will make it possible to establish a uniform environmental strategy for the whole Community.

The third action programme on the protection of the environment must therefore include decisive measures which will have to extend beyond the frontiers of the Community. Moreover, this would be in the spirit of the findings of the European Court of Justice — I would refer you to the judgment of 30 November 1976 — as well as in the spirit of various provisions of the enacted legislation of the Community, such as those providing for uniform living conditions and economic progress. Regardless of our political views, we in Greece have always attached great importance to the environmental factor, particularly in view of the fact that rescuing the cultural monuments in our country — of which there are so many and which represent a cultural heritage of the entire world — can only be successful if we are assured of exceptional environmental conditions.

Mr President, I believe that it is the duty of all of us towards coming generations to establish a strong environmental strategy.

President. — I call Mrs Maij-Weggen.

Mrs Maij-Weggen. — (NL) Mr President, I should like to start by joining in the praise which has been given to the rapporteurs for their excellent reports. I agree fully with what the other Members have said. Because of the late hour I shall limit my speech to the question I have tabled for the Commission on the Council's backlog on environmental directives.

To begin with, I must somewhat tone down one passage in the text of my oral question. The third indent states that the number of draft directives adopted since 1974 has been depressingly low in comparison with the number of directives still before the Council. The word 'depressingly' should be replaced by 'relatively', because if you add up all the full stops, all the commas, all the amendments and all the non-controversial items, you might actually arrive at a reasonable figure. I hope, of course, that the Commission will not do that, but I just wanted to say that my question should be regarded in a slightly different light.

To get back to the crux of the oral question, Mr President, i.e. the Council's delay in reaching decisions and the backlog which has now arisen, this is a source of

major concern to my group. We note that scores of proposals are still lying on the Council's table, proposals on which Parliament has long since given its opinion and which were passed on to the Council by the Commission years ago. If we analyse this backlog, it emerges that the directives being badly handled by the Council fall into three groups. Firstly, there are the directives concerned mainly with transfrontier environmental pollution — one of the major groups of directives drawn up at European level. Then there are the directives concerned with the fight against chemical pollution, including those on pollution through lead, mercury and the directives on sewers, as well as the directives on the pollution of water, including pollution through oil. All these directives have one thing in common — they impose certain rules on our industries, rules which prevent our industries putting an excessive burden on our environment. I am afraid that this is also the nub of the problem. The readiness of the Member States to ensure that their industries adhere to environmental directives is declining steadily as a result of the economic crisis, and although this is understandable at first sight it contains a great danger.

Figures produced by the OECD and the United Nations show that it is much cheaper to take preventive measures beforehand than to have to tidy up the mess afterwards. Not only is the cost of having to tidy up afterwards several times as high as under a policy of prevention, but in some cases the damage can no longer be repaired. Let me take the pollution of the Rhine as an example. If we were to decide today to sign the convention on the chemical pollution of the Rhine and to stop all emissions, this certainly does not mean that the Rhine would become clean overnight. The fact is that the bed of the Rhine is so polluted through the year-long passage of chemical waste that the effects will be felt for years to come, and there is even some doubt as to whether it will ever be possible to get the Rhine clean again. What I am saying is that, while negligence in the field of environmental pollution may give some economic comfort in the short term, in the longer term the damage — both economic and ecological — is much greater.

The present attitude of the Council is thus extremely short-sighted. As can be seen from my question, Mr President, our criticism is directed not so much at the Commission as at the Council. Our question as to what to do to break this deadlock is directed at the Council, and I should like to make two suggestions in this context. Perhaps the Commission could produce a study of the longer-term economic effects of negligence in environmental policy. This document could then serve as a basis for further Community action and to encourage the Council to be somewhat less short-sighted.

The second proposal is that the Council should hold two marathon sittings to clear its desk of the huge pile of directives still cluttering it up. Otherwise, I am afraid that any new proposals, including the measures

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proposed under the third action programme on the Environment, will simply join the pile and suffer the same fate as the old proposals.

Finally, we have been facing an energy crisis since the 1970s. The result is that we are confronted with a serious economic and employment crisis in the 1980s. One of the reasons for these crises was the lack of preventive action. If we do the same thing with the environment — and in this respect I fully agree with what Mrs Weber, Mrs Squarzialupi and Mr Collins have said — we can rest assured that we will be confronted with an environmental crisis in the 1990s. We appeal to the Commission and, particularly, the Council to show more responsibility with a view to preventing this happening.

President. — I call Mrs Schleicher.

Mrs Schleicher. — (*DE*) Ladies and gentlemen, before I get down to the matter in hand, I would like to level a criticism against our Bureau. Mr Collins has already raised this matter, but I must say that this debate has been organized very thoughtlessly, since five topics are all being dealt with under one heading — three reports and two motions for resolutions which are only partly connected. Even the questions of colleagues who are not Committee members and who ask us what is being discussed have convinced me that debates should no longer be held in this way. In this chamber we would like to be able to discuss intensively what has been prepared in committee and then inform non-committee members of the progress achieved and complete discussions with the Commission at least in the chamber. I therefore regard the composition of today's debate as extremely unfortunate. I would therefore like to repeat my request to the Bureau — and I hope the President will pass this on to his colleagues — that combined debates should only be held when the subjects under discussion are so closely related that this fact is evident from the speeches.

(Applause from various quarters)

I believe that Parliament's work on environmental protection, including its committee work, and apart from certain differences, its cooperation with the Commission is very efficient, and we have created many of the prerequisites needed for good environmental work.

Mrs Weber mentioned the report 'Global 2000' and warned about things which we are already familiar with from the reports of the 'Club of Rome' and also from the 'Global 2000'. I feel, however, that these criticisms concerning inactivity can certainly not be levelled against Parliament, or, for that matter, the Commission, whose work depends on our efforts.

I would therefore once again like to discuss the problem which is of most concern to us. It was also mentioned by Mrs Maij-Weggen. What is the purpose of our preparing the ground for other institutions if at the end of the day no decisions are taken by the Council? This raises a further problem, which I would like to discuss. Those countries which are inactive in this field are initially in a very favourable position. They create distortions in competition in the opposite way from the usual one, i.e. countries which are inactive are indirectly taking protectionist measures, since those which are active in the field of environmental protection incur higher costs, which places them at a disadvantage as far as competition is concerned. In the long term, however, the public are cheated in this way, since the advantages of inactivity are only temporary. In the long run the citizen has to meet the higher costs himself. I would like to make it clear that we are doing what is necessary, but because of the slowness and inactivity of the Council a temporary advantage will end up as a disadvantage for the public.

I would like to add one final point and make a suggestion. The Member States may be encouraged to take action if an account were presented of what has been achieved so far. People are often complaining about industry and the various other sectors, but if we want to make progress in environmental protection, we must work together, which means that everyone has to do his bit. In my opinion environmental questions and environmental protection are a great challenge to science, to industry and its technical capabilities, but also to ourselves. A challenge to be consistently mindful of the balance of nature and not cause irreparable damage in the long term by making wrong decisions.

This debate has shown that we are willing to adopt such an approach. But as I have said, Parliament can only do the groundwork and can take no final decisions. That is the Council's job. I hope the Commission makes its influence felt when it finally discusses these matters with the Council. On this point I would therefore like to ask the Commission once again whether it would be possible to draw up an account of what has been achieved so far in order to show clearly which countries are cooperating and which are not. Then I think we can adopt a very different line of reasoning as far as the general public is concerned and bring any shortcomings to light.

President. — I call Mr Gendebien.

Mr Gendebien. — (*FR*) Mr President, ladies and gentlemen, I agree with the main points in the conclusions of the remarkable reports drawn up by Mr Alber, Mr Muntingh and Mr Verroken, and at the same time I congratulate the Committee on the Environment, Public Health and Consumer Protection on its important work. I would like to stress that in my view the

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quality of life in Europe — when it does have some quality — derives to a large extent from the wealth and variety of our natural heritage and our landscapes, and also from our traditional urban and rural habitat.

If European society wishes to remain a civilization, it has the sacred duty to protect this heritage it has received, to fight actively against pollution and to improve a threatened living environment.

At a time of crisis, the material living standard is threatened in quantitative terms, and the quality of life therefore has increasing importance. Ecology does not recognize State frontiers — as young people have well understood — and this is illustrated by many examples, notably that of the pollution of the Rhine. Applied ecology, i.e. the active protection of ecosystems, is not only a technical problem, but a highly political problem. The social effects of production choices and methods, uncontrolled mechanization and disruption of rural balances are simply the effects of a production-orientated economic system which gives priority to profit at the expense of man and nature. In this respect we have the feeling that the Community is not doing all it could, despite the undoubted goodwill of the Commission's officials.

One example is the heat pollution and other pollution caused by nuclear power stations, particularly in frontier areas. The problem of frontier nuclear power stations, which have raised a number of times in connection with the problems of Chooz, has still not been settled despite the resolution adopted here twelve months ago. What is the present French Government doing about this, despite its electoral promises? Nothing. What is the Council doing? Apparently nothing — it is half asleep.

Another example is the protection of migrating animal species threatened with extinction. Here it is the Belgian Government which has once more failed in its duty. Indeed, Belgium has not yet even signed the 1979 Bonn Convention. There is therefore a gulf between the hypocritical speeches of governments on environmental matters and the political acts of these same governments.

Because the speaking time available to us is too brief, Mr President, I shall conclude. We already have a European trading area. It is more or less the only fairly well organized common area, and that is not much. It is too little to arouse the support and enthusiasm of the younger generation. We also wish to see a political area and a social area. May I also plead the case for a European ecological area, which would at last protect the whole of our vital heritage — an essential element in a European culture which would serve the people first and foremost? When we are talking about new Community policies, here is one — and I'm sure you will agree with me — which deserves to have priority among the concerns of Parliament, Commission and Council.

President. — I call the Commission.

Mr Narjes, Member of the Commission. — (DE) Mr President, ladies and gentlemen, to wind up this extremely interesting, instructive and imaginative debate I would first like to thank the three rapporteurs, Mr Alber, Mr Muntingh and Mr Verroken for their excellent reports and also, in particular, for the admirable clarity and concision with which Mr Alber presented the general introduction. These three reports enable us to clarify all the major problems in the field of environmental protection.

I would also like to take this opportunity of thanking all Members of this Parliament who took part in this debate and have made such an outstanding contribution to our work. I note with great interest that there is a basic consensus in this House on the problems of environmental protection. This encourages the Commission to maintain its present approach. We extend our thanks to Parliament for its willingness to foster environmental policy in a practical way, as it demonstrated so clearly in the recent debate on the budget. Parliament's support at this time is particularly valuable to us now that the Commission has submitted its third action programme for the coming five years to the Council. I hope that after this debate the programme will be approved by this House.

I share Mr Alber's regret that our programme was adopted before this House could discuss his report. But we had to take a decision for precisely the same reasons for which he criticized the Bureau. We are also reluctant to lay ourselves open to being criticized for lack of seriousness, and did not want a period without a programme. We would have been rightly criticized on both points if we had not acted. That was the situation from our point of view.

Although I cannot answer all the suggestions and questions put to me during this debate — I am also working against the clock — I would like to point out right away to Mrs Schleicher that the kind of progress report which she presumably wants already exists in the form of a document. We passed it on to the Committee responsible a few months ago; it is a report on the work and implementation of the environmental programmes and proposals in the Council of Ministers. It still gives reliable information on the bottlenecks and difficulties and on the number of decisions outstanding.

For the same reason I would like to reply very briefly to Mrs Maij-Weggen's suggestion that there are a good dozen directives and regulations now before Council. Six are in an advanced stage of discussion, and we may be able, after the Council meeting of 3 December, to discuss what is still outstanding in the Chamber or in Committee. It might then also be worthwhile to question the Council of Ministers on its position with regard to the decisions outstanding.

Narjes

Owing to the Community's economic position, to which virtually every debate testifies, we have obviously had to ask ourselves whether environmental policy can be continued with the same objectives and using the same instruments as we began with nine years ago. After this self appraisal we have come to the conclusion that we should stick to it firmly and with circumspection. This is a personal commitment for me, because apart from being responsible for environmental protection I am also concerned with the internal market.

Although the initial aim of the Community environmental policy was to combat environmental pollution, it has since become increasingly an all-embracing, preventive policy, a point which has been made here many times.

This new development offers two possibilities: on the one hand, measures should be taken to protect the environment while ensuring that the social costs are kept as low as possible, and on the other it is necessary to take positive steps to support and guide economic development. For example, the introduction of controls of new chemicals before they are used in the Community was the first step towards this policy, and if it proves successful it could be extended later to other dangerous activities. Generally speaking, this policy has already opened up a few possibilities. We have created the right political and geographic conditions for positive action. We had to present a frame of reference for national policies and need to offer suggestions and encouragement on conserving natural resources and improving the quality of life in various spheres of activity.

This policy has had the very practical effect of helping to alleviate considerably a number of difficulties which have resulted from environmental work and the needs of the internal market. In this sense we always regard environmental policy as a form of structural policy which must be developed independently of economic ups and downs so that — as has been repeatedly argued here — the potential for future development is not impaired and extremely harmful damage to natural resources can be avoided. Seen in these terms, a rational and statistically assessable environmental policy is an essential component of medium and long-term economic policy, indeed of a rational and statistically assessable economic policy. Associated with this, especially in this present slump in investments, is the continuation of the existing fundamental economic pattern, which is an essential requirement for strengthening the confidence of investors. This continuation also makes it possible to exhaust the opportunities for innovation which result from an environment policy which is rationally assessable in the long term. To exhaust fully the opportunities for innovation both in products and in less harmful production processes which are the result of carrying out environmental work and which are connected with them — that is the contribution which the environment policy can make to combating unemployment and to growth.

It would go against all reason, however, if because of alleged, actual or exaggerated environmental problems Europe came increasingly to flout the law. No greater disservice could be done to the spirit and the important task of environmental protection than if its objectives were achieved by force and anarchy. A more transparent decision-making process could possibly prevent such a situation arising. This would also prevent any unjustified amalgamation of environmental and non-environmental objectives.

At the start of this month the Commission approved a proposal which will result in the continuation of the previous action and which incorporates the third programme.

Owing to lack of time I am unable to discuss this programme in detail but shall merely mention a few points which may be important in connection with this debate. For example, I think it would be wrong to equate environment policy with the call for the fossilization of certain structures. Environment policy makes it necessary at every change to make a very careful note of all the resources involved, not merely to reject structural change out of hand. I think an old farming saying from my native region of North Germany could be applied to environmental protection, namely that if you cut down a tree you must plant three more. One will die off, another will be struck by lightning and only the third will grow to replace the felled tree. Thus environmental policy implies the channelling of movement rather than paralysis.

I should add that we have been very concerned with the problems of the Mediterranean: I have not got time to go into them here in detail but would refer you to the literature on the subject.

As far as agriculture is concerned, I would like to reply to the comment that the Community has organized a research programme on integrated plant protection and pointed out at a general conference last year that integrated plant protection does not need to be more expensive than current practice, especially in view of the rising price of chemicals.

I would like to comment briefly on the question which was indirectly linked to the remark made by Mr Collins, who rightly rejected the idea that the Community should abandon its environment policy. Having examined this problem in connection with the most appropriate level on which to take action, we feel that it is essential that environmental problems should be tackled at the right level, i.e. that on which can be most effectively solved. Environmental problems which call for Community action should therefore be decided upon at Community level. I would point out to those interested in economics that nothing could be more harmful than for each Member State to adopt its own rules — of varying cost-effectiveness — on environmental protection and use environmental protection as a pretext for tightening up their frontiers. It

Narjes

would be impossible to imagine greater distortion in competition. For this reason Community action on the environment is indispensable.

On the other hand, we all know that the planning of land use should be as decentralized as possible, in other words work in this area should be carried out at the local and regional levels and not necessarily at Community level.

I can only briefly outline the fact that we have given preventive measures greater prominence than hitherto, and I shall conclude by turning once again to the international aspects of this problem.

Following a recent meeting of the Commission for World Conservation Strategy, we undertook a clear commitment in support of that organization's aims; we agree, in fact, with many of today's speakers that the international dimensions of environmental protection could assume increasing, indeed dramatic, importance. Several speakers have rightly referred to the Global 2000 report. We would also welcome an independent survey on this important field, with regard both to the methods applied in the USA, some of which need to be scrutinized, and to the statistics and the specifically European aspects of this work. What we have in mind is not so much a special kind of *ad hoc* consultative group, but a highly qualified committee of experts on environmental protection policy as a whole, whose work would extend beyond the areas covered in Global 2000 and would include all topics.

Such a body could, for example, reconsider questions raised here in this debate concerning specific problems entailed by national attempts to 'go it alone', i.e. it could examine to what extent Member States can exceed the minimum requirements and introduce their own more stringent measures.

From the Commission's standpoint I should point out that all measures which go beyond Community standards have an isolating effect and, insofar as economic matters are involved, are contrary to the objectives of the internal market. We are therefore very wary of encouraging stricter national legislation, because its side effects are often — though not invariably — contrary to other Community aims.

To turn to a problem which has been referred to several times, the question has been raised as to the legal basis of our approval of the Washington agreement. We agree with those speakers who pointed out that reference should also be made to Article 235. Legal considerations have convinced us that this improves our text.

To conclude, I feel we are the last to eschew self-criticism. Our greatest stumbling block — if I may refer to a point made by Mr Collins, the honourable chairman of the committee responsible — is in fact lack of personnel. Whenever we adopt a new measure or new

legislation we should first examine how many executive, supervisory and implementary tasks from earlier programmes and legislation we can and should dispense with. The number of available personnel is that limited. I have no hesitation in saying that this problem has already taken on political dimensions, and I would be pleased if the entire house would put right the mismanagement — as far as meeting deadlines is concerned — of environmental affairs by making provision in the budget for a considerable increase in the number of staff engaged in these affairs.

President. — Your comments and those of other Members about the timing of this debate will be referred to the enlarged Bureau.

The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

7. Generalized tariff preferences for 1982-1985

President. — The next item is the report (Doc. 1-641/81), drawn up by Mr Cohen on behalf of the Committee on Development and Cooperation, on the

proposal from the Commission to the Council (Doc. 1-450/81) for regulations fixing the Community's scheme of generalized tariff preferences for the period 1982-1985 and opening the scheme applicable in 1982.

I call the rapporteur.

Mr Cohen, rapporteur. — (NL) Mr President, in 1982 we shall enter the second year in which the system of generalized tariff preferences for the developing countries is to be applied according to the new system. I would just like to outline briefly the main novel aspect of the system. Previously, that is two years ago, the system of generalized tariff preferences included various categories of products, classified according to their sensitivity from the standpoint of our industry. We have simplified this system. In the new system, which has already been applied this year, there are only two categories of products, sensitive and non-sensitive, which now may or may not be easier to import. You might say that this is only the formal aspect of the scheme, but I wanted to draw attention to it because it is important. We have simplified the system and this benefits both the exporters in the developing countries and our own importers, who are thus in a better position to know which countries to buy their goods from.

Obviously the material aspects of the system are far more important. The system is in principle intended for all developing countries, and in theory we maintain this position, but in practice it turns out that only a

Cohen

limited number of countries, especially the more advanced developing countries, can make effective use of it. For example, for some time Yugoslavia has been in the best position to take advantage of the system, and it is followed by Brazil.

At a time when an increasing amount of attention is beginning to be paid to the poorest developing countries — and here I am thinking of the Paris Conference of September this year on the least developed countries — it is clearly rather odd that this system should benefit the better-off nations. For this reason the Committee for Development and Cooperation has persistently striven to include in the system products which are of importance mainly for the exports of the least developed countries. This applies to agricultural products and also to a number of industrial products. I admit that this is no easy undertaking because we have our own common agricultural policy. We also have to take account of the interests of the ACP countries linked to us under the Lomé Convention. But we still maintain that we should try to include in the system products which are especially important to the poorest countries.

The system of generalized preferences is the result of an independent action on the part of the Community. It is not the outcome of negotiations between the industrialized nations and the developing countries, and I also believe that there is at present no one who would argue that the system or its legal basis should be changed.

I think — and I say this rather cautiously — that we must try to persuade some of the better-off developing countries to open up their frontiers more to products from the poorer developing countries. This is obviously already the case, but to the extent to which they are prepared to open up their frontiers more, we should also be prepared to make further concessions. I believe this would trigger off a healthy development, in which ultimately the poorer countries in particular would be able to find a market for their goods not only in the industrialized countries but also in the other developing countries. This would also improve the selection of products on those markets, since the developing countries which are to some extent already industrialized do provide a market for the products of the poorer countries. If the Community were able to set this process in motion, I believe it would be a step in the right direction.

One final word, Mr President, on the system in general. At a time when protectionism is again rife, it is almost dangerous to espouse the cause of free trade or extol its virtues. Although we cannot always avoid protectionist tendencies, we should never forget that cheap imports are also a means of combating our own inflation.

The system of generalized preferences can be improved on. It should become part of a general

Community scheme in the field of development policy. The question is sometimes asked whether it is no longer a trading system and does not accord with the principles which we uphold in the field of development co-operation. The system may therefore be criticized, but only on points of detail. We are in favour of it and accept the Commission's proposals. We feel that they could have been a little more generous, but we are in broad agreement with them.

President. — I call the Committee on External Economic Relations.

Mrs Caretoni Romagnoli, draftsman of an opinion. — (IT) Mr President, I shall speak very briefly to give the opinion of the Committee on External Economic Relations. This Committee, which is primarily concerned, as you all know, with trading problems, thought it should point out that the system has been operating for too short a time for a full assessment of it to be made. We therefore chose to examine the Commission proposal in the light of the views expressed by Parliament and by our committee itself.

We were obliged to note that the recommendations of Parliament, and the recommendations of the Committee on Development and Cooperation and of our own committee, have not been fully taken up, particularly in the agricultural sector where Parliament had asked for the necessary extensions to avoid distorting the system which should provide aid to developing countries. As it is very late, I shall not read through the views expressed by Parliament. You will find them reproduced, for convenience, in paragraph 18 of the opinion which I have had the honour to draw up.

The Committee on External Economic Relations also wishes to draw attention to the overall problem of rules on origin, and informs Parliament now that it intends to take initiatives as a committee to try to obtain a clear view of this problem.

In conclusion, Mr President, our committee stresses the fact that generalized preferences must be an instrument of development policy, and that any attempt — and such attempts exist — to use them for other purposes seems to us completely inappropriate. We also think that the Commission has a great deal yet to do to ensure that the poorest countries use the preference system to the full. That is what the rapporteur was saying just now, and it emerged quite clearly also from the Paris conference for the least developed countries.

Since these recommendations, which were made by the draftsman of the opinion and approved by our committee, are found in Mr Cohen's excellent report, the Committee on External Economic Relations recommends that Parliament should adopt the Cohen report.

President. — I call the Group of the European Peoples' Party (Christian-Democratic Group).

Mrs Rabbethge. — (DE) Mr President, ladies and gentlemen, the system of generalized tariff preferences has been in existence long enough for us to be able to examine it and pass judgment on it. The rapporteur, Mr Cohen, has done that and has drawn up a balance sheet and the Christian-Democratic Group, of which I am a member, will give full support to this motion for a resolution in which he has set out his balance sheet.

Nevertheless, permit me to pose one or two additional questions, to which, in my opinion, we shall have to give further thought in the future in order to create an even more effective, more realistic, system of tariff preferences. Firstly: we are all in this House in agreement that the advantages of this system must in future be made available to the poorest of the poor countries on a greater scale than has been the case hitherto. Would it also not be wiser, when dealing with countries that have already achieved some degree of development, to insist on a greater degree of mutual benefit, and what about the question of China and Romania?

A firmer distinction should be made in terms of annual growth rates between countries that have already reached some degree of wealth and those that are still very poor.

Secondly: mention is made in section 9 of the fact that the restrictions that have so far obtained for certain categories of countries might be lifted on condition that these countries should concede tariff preferences to the least developed countries. Mr Cohen has already gone into this topic. Permit me, as my second question, to ask whether this proposed *quid pro quo* is likely to work? I have my doubts.

Thirdly: we give our sincere assent to the continuation of the seminar programme aimed at providing better and more comprehensive information for the countries in question: however, is the completely un-binding formula 'maximum improvement of information on the system' really adequate? Should we not say out loud and clear in future: more enlightenment, more information, for the least developed countries above all, and should we not then provide financial support for these seminars in such a way that the money we have painstakingly churned out to swell the seminars' coffers is not wasted by the mere effect of inflation?

Those were my three questions and I have therefore proposed two amendments to which I ask you, ladies and gentlemen, to consent. They constitute a complement to the motion for a resolution before us now.

President. — I call the European Democratic Group.

Mr Pearce. — We would like to congratulate Mr Cohen on his report. It is a pity that it could only be made available for discussion in the Committee on Development and Cooperation at a late stage. This is not Mr Cohen's fault, but it says something about the way that the work in the committee is organized. It has meant that we have had a relatively short time in which to examine its contents, and I hope that next year we shall have a longer time to examine this very subject.

One small point of correction I should make is that this group in fact abstained in the meeting of the Committee on Development and Cooperation and therefore it cannot really be said that the report was adopted unanimously. Our abstention did not mean that we disagreed with what Mr Cohen had put forward: it was merely a reflection of the lack of time to give this matter proper consideration.

We all know Mr President, that in the first ten years of its operation the GPS has not really fulfilled its ambitions: 70-80% of the benefit of this system has gone to a dozen countries. We think that this is not good enough and that over the next ten years there must be a change in the balance of advantage from this system in favour of the less-developed countries if the system is to be taken seriously.

I, like Mr Cohen, welcome the extension of the scheme to cover more agricultural products, and I hope that this will in fact benefit the poorest countries. I also welcome, like Mr Cohen, the increases in quotas and ceilings that have taken place for many different products, and I agree that any adjustment of the European agricultural policy must consider the effect of this on preferences for agricultural products.

Paragraph 9 of the report presents an interesting idea. This is to do with the removal of existing restrictions for certain groups of countries provided that these countries are willing to introduce a preferential import system for the least-developed countries. I think this idea merits further investigation and consideration: we will, in fact, oppose paragraph 9 on this occasion because we think that the matter needs further thought.

Mr President, I would like to speak briefly in favour of three amendments that have gone in our name. Amendment No 3 attempts to strengthen the rapporteur's original text, to make it even clearer that the GPS must be made to work more strongly in favour of the very poorest countries. Amendment No 4 indicates that we think it important that GPS should not work against each other; it stresses the need for greater coordination and asks the Commission to produce a report on this.

Finally, in Amendment No 5 we are asking the Commission to give its views on the report prepared by the Overseas Development Institute on the operation

Pearce

of the GPS. We have encouraged the idea of having a hearing on the GPS so that we may take on board views from all who are concerned in this matter and examine the effectiveness of the scheme with a view to improving it.

Mr President, I hope that the House will approve Mr Cohen's report, taking into account the particular points that I have mentioned.

President. — I call the Commission.

Mr Narjes, Member of the Commission. — (DE) I am very grateful for this opportunity to give a brief reply. First of all, I must thank and congratulate Mr Cohen and the Committee on Development and Cooperation. Secondly, Romania now belongs to the G77 group. Thirdly, China is one of the poorest developing countries. Fourthly, the Commission is endeavouring to draw a distinction by helping the least developed countries more than the competitive ones, and we should like above all to channel greater and more effective marketing aid to the former. Finally, we have given the representatives of our ACP partners a thorough briefing in the last fortnight. Thank you, Mr President, for allowing me to speak.

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

(The sitting was suspended at 8.05 p.m. and resumed at 9 p.m.)

IN THE CHAIR: MRS VEIL

President

President. — I call Mr Enright.

Mr Enright. — Madam President, first of all I apologize to our Portuguese and Spanish visitors who are here for delaying the start of the debate. I would assure them that I am wholeheartedly behind their entry and I want to make sure that this Parliament works effectively when they arrive here: I hope that is very soon.

I refer to the motion that we discussed yesterday of Miss Brookes concerning the order of debates this evening. In that motion, which I have before me, you will see that we agreed, as an Assembly, to have Mr Prag's resolution as No 3 on the agenda tonight. I

therefore feel it would be totally inconsistent to vote yesterday one way and decide a different way today, Madam President, even though I admit that the Socialist Group had a second chance today: it was only five minutes later and did not set a precedent for 24 hours later. I would like your views on that, Madam President.

(Applause)

President. — Mr Enright, as I said earlier, we are going to deal with this matter now and I am going to ask the House to vote on the position of this motion for a resolution. I have in fact received a request asking for this motion on the parliamentary committees to be considered third, after the motion by Mr Welsh on the Multifibre Arrangement.

(Parliament rejected the request)

I call Mr Bangemann.

Mr Bangemann. — (DE) Madam President, the result of the vote gives me an opportunity to say something which it would have been difficult for me to say had the outcome been otherwise, because then you might possibly have regarded what I am now saying as the contribution of a bad loser . . .

(Interruptions)

. . . I was not speaking to you personally Mr Hänsch: you know that I hold you in particular esteem, but not all my statements are directed exclusively at you personally. From time to time I also address myself to other Members of the House.

I asked leave to speak on the Rules of Procedure, Madam President, because I should like to ask the Members to read Rule 48 carefully. If we make a rule of behaving as we have just done then we will never again be able to speak reasonably about what is urgent. We discuss at length in a meeting the urgent debates we want to enter on the agenda, and of course Parliament is fully entitled as it says in Rule 48, to object to this decision stating the reason in writing and move — and here I quote — 'that Parliament abandon a topic due to be debated and/or include an unscheduled topic in the debate'.

That is Parliament's right, and everyone — particularly the Members of the Conservative Group who quite rightly attach great importance to adhering to the agenda — should defend this right. But when we extend that right to include the question of the order in which we should debate, then, Madam President it will be difficult to have an orderly debate.

I had wanted to say this before the vote was taken. I am glad that I can say it now at a time when nobody

Bangemann

can attribute selfish motives to words, and I extend my thanks to all the Members who have contributed to keeping the agenda in its scheduled form.

President. — I call Mr Forth.

Mr Forth. — This is a very important matter, Madam President, and Mr Bangemann has given the game away, as he often does. He never likes the ordinary Members of this House to have a say in the conduct of business . . .

(Applause)

. . . and when he said 'we' discussed priorities, he of course meant the royal 'we' — that is, group chairmen and group leaders. He did not mean that the Members of the House ever have an occasion to express their point of view. The importance of the procedure we have just gone through, Madam President, and I thank you very much for allowing us to do it, is that it actually gave the House as a whole an opportunity to make its views known on the order of business and the priority of these urgent resolutions. This, I hope, is duly noted. Mr Bangemann has obviously missed the point, as I regret he so often does, but I hope, on reflection, he will realize the importance of the sovereignty of the House over that small group of people in smoke-filled rooms who like to think that they dictate their business to us.

President. — Since there seems to be some difference of opinion on how to interpret this, I think it would be a good idea to ask the Committee on the Rules of Procedure and Petitions for a ruling on this specific point which has been raised this evening.

I call Lord Bethell.

Lord Bethell. — Madam President, I wonder whether you are aware that there are in our gallery today representatives of three of the groups of the Afghan resistance movement.

(Loud applause)

Will you accept that their presence here in the European Parliament enjoys the approval of a very broad spectrum of this House?

(Prolonged applause)

8. *Enlargement of the Community*

President. — The next item is the joint debate on three motions for resolutions on the enlargement of the Community:

- motion for a resolution (Doc. 1-728/81) by Mr Klepsch, Sir James Scott-Hopkins on behalf of the European Democratic Group, Mr Bangemann on behalf of the Liberal and Democratic Group and Mr Fanti;
- motion for a resolution (Doc. 1-730/81) by Mr de la Malène on behalf of the Group of European Progressive Democrats;
- motion for a resolution (Doc. 1-746/81) by Mr von der Vring and Mr Hänsch on behalf of the Socialist Group.

I understand that it has been agreed that Lord Douro will present the first of these motions for resolutions.

I call Lord Douro.

Lord Douro. — Madam President, in line with British parliamentary tradition, I would like to begin by declaring an interest in Portugal and in Spain.

Madam President, this debate is on the order-paper tonight because the Political Affairs Committee of Parliament decided that we should hold a short debate on the principle of the next enlargement. Although I have been asked by the Political Affairs Committee to prepare a report on the accession of Portugal and Spain, this report will incorporate the opinions of many of the committees of Parliament and will, inevitably, not be ready until some time next year. Meanwhile, doubts are being created in both the applicant countries about the true intentions of the Community towards them. Therefore the purpose of this debate and the joint resolution which has been tabled as an amendment by the major political groups of this Parliament — and this amendment will, Madam President, replace the original resolutions signed by Mr Klepsch and other group leaders on the one hand, and another resolution signed by the Socialist Group on the other hand — is to show the citizens of Portugal and of Spain and of the existing Member States of the Community that the elected representatives of the European Community wish to see these two countries accede to the Community as soon as possible.

Both these countries applied to join the Community in 1977. Their applications were warmly welcomed at the time by all the Member States, and now, four years later, we still appear to be some way from the end of these negotiations.

Both the Council and the Commission are responsible for the slow progress of the negotiations, but we are particularly critical of the Commission. The Commissioner responsible does not convey an impression of determination to succeed in this onerous task. He also, unfortunately, finds himself unavailable to come and report on a number of occasions to the joint committees of this Parliament with the Portuguese and Spanish Parliaments. We are very disappointed that he was unable to attend the last joint committee meeting

Douro

with the Portuguese and is also unable to attend the next meeting at Lancaster House in London with our colleagues from the Spanish Parliament.

(Cries of 'Hear, hear!')

Madam President, we recognize the considerable difficulties which are arising out of these negotiations. They include fishing policy, textiles, wine, olive oil and citrus fruits. We realize the impact there will be on other Mediterranean countries. We realize also the difficult problem which exists between Spain and the United Kingdom over Gibraltar. But what saddens us and makes us feel frustrated is the apparent inability of the Commission clearly and simply to quantify these difficulties, and then, most important of all, to propose solutions. None of these problems must be allowed to carry forward and become running sores of the whole Community after accession. So this is our message to the Commission: You must try and come up with solutions, because it is too important to let the matter drift and simply to hope that the problems will go away.

(Applause)

Madam President, it is well known by the governments of both applicant States and by Members of this House that the accession negotiations are having to take place in the shadow of the Community's attempts to adjust its policies, in particular the agricultural policy and the system by which the Community is financed; but I do not believe that these internal discussions should be allowed to hold up the negotiations with the applicant countries. Indeed, both these countries should be involved as much as possible in the discussions should be allowed to hold up the negotiations. The basis of contributions to the budget is changed, it looks likely that Portugal will be a net contributor to the Community budget, and I am sure that we would all find that totally unacceptable.

I hope that there are journalists listening to this debate this evening from both applicant countries. It is important that they should convey to their readers the enormous goodwill there is in this House towards both countries, and the strong political will there is to secure these two new members to our Community.

In this resolution, Madam President, we call upon the Commission to present a report to Parliament no later than February of next year. This report should be on the state of the negotiations as they now are. We would then hope to have a debate in which the Council would participate.

We are determined to keep up the pressure on both Council and Commission to move forward faster. Although conscious of the difficulties, we nevertheless, are also very conscious of the political importance of the next enlargement. We wish to play our part in strengthening democracy in both countries. We are very aware of the historical, cultural and social ties

between the Iberian peninsula and the present Member States. We therefore hope that the Council and Commission will ensure a successful outcome to the negotiations, and that we in this Parliament will be able to welcome Portuguese and Spanish colleagues to this House in 1984.

(Applause)

President. — I call Mr Israel.

Mr Israel. — *(FR)* Madam President, ladies and gentlemen, we would of course like to see Spain and Portugal sit with us in Parliament. Not least this would strengthen democracy in our Parliament and also, by joining us, Spain and Portugal would probably be linked definitively to democracy as we understand it, since their economies would then be intertwined with ours. Consequently we hope we can make the necessary effort to allow these two countries to enter the Community.

However there is one idea which we do not like at all, and that is the fixing of a date.

Madam President, ladies and gentlemen, it is not possible to fix the end of negotiations in advance. To say negotiations should conclude at a certain date is already to show great weakness. We will make the final concessions on 31 December 1983, and this is where the danger lies.

Madam President, I do not want to be over-cautious about enlargement, but none the less when one decides to marry someone one tries to find out if such an arrangement would work. There are a certain number of conditions to be met, and my group considers them to be the following.

Firstly, the common fisheries policy must be implemented, a decision must be taken on adapting the common agricultural policy and, finally, the regional policy must be extended. These are the conditions which we must meet. However our future partners must also meet certain conditions. First of all they must adopt a universal principle peculiar to our economy, that is the application of VAT. Lord Douro need not tell me that Spain and Portugal can enter the Community without accepting the principle of VAT, because it is difficult to see how they could contribute to the proper functioning of this Community without doing so.

In addition, there is one final outcome which is extremely serious and which affects us all, that is the need for us to increase the 1% VAT ceiling.

Madam President, ladies and gentlemen, do not regard my speech as being negative; in my view it is inspired by common sense. We hope simply that we

Israel

will not be blinded by a political goal which will make it impossible to establish, to achieve, the common market of the ten countries of the European Community.

President. — I call Mr von der Vring.

Mr von der Vring. — (*DE*) Madam President, my group is withdrawing its motion for a resolution on the subject of enlargement in favour of the joint motion for a resolution agreed upon yesterday by five groups. This evening we Europeans once again wish to insist with one voice that, in spite of all difficulties, our Community should open its doors to the two democracies on the Iberian peninsula as quickly as possible and without undue delay. But today we are not only concerned with declarations but with practical matters.

First of all the date of accession: there is no good reason why both countries should not join the Community as planned on 1 January 1984. We are therefore making a joint appeal to the Council to confirm this date as the latest possible date for accession.

Then the state of negotiations: of course it is formally the Commission which is conducting negotiations but we know that intervention by governments had adversely affected the negotiations in the past. We deplore the resultant delays and call on the Commission to do everything in its power to intensify and speed up negotiations in the coming months. As Parliament of course we are not party to the negotiations but integration policy is our affair and because there are political reasons for the delay we shall only be doing our parliamentary duty if we demand today that the Commission and also the Council report to us on the state and prospects of the negotiations on accession by February 1982 at the latest.

Madam President, what are these negotiations concerned with? They are concerned — leaving aside the technical problems — with agreement on exemptions from Community rules for certain transition periods. Mr Israel knows perfectly well that without this problem no negotiations would be necessary and it would just be a matter of naming the date. The applicant countries and some Community countries have specific wishes on this point. This is perfectly in order.

But at present it seems that both sides are just making extreme demands about their special concerns without any serious attempt at compromise. Nor do I wish to criticize this since it fully complies with normal Council policy. The idea of people with jokes up their sleeves is a very telling image! Everything indicates that the final agreement on all these key problems will be postponed until the final marathon — that is the name already given to it. Perhaps there is no other way of doing things. But this has one consequence which we must bear in mind. The purely technical problems

could be solved within a year if we go about it properly. After that there is no reason for not holding the final marathon immediately. We should therefore demand that the final discussions on the accession treaty should take place in Council by the end of 1982 at the latest. This really is the last possible date if the two countries are to join the Community on 1 January 1984.

For a year now this lamentable delay has been justified by the idea that the Community must first deal with the proposed agricultural and financial reform internally before it can sort things out with the applicant countries. Seen abstractly this cannot be denied but what it actually involves cannot in any way be covered by the term reform. We join Mr Delatte in saying that it should preferably be called adaptation. What possibilities now remain do not justify any further suspension of negotiations. We are therefore thankful to learn that the Council no longer regards this as a reason for halting the negotiations. This is progress indeed. Now the view is rapidly gaining ground that the governments of Portugal and Spain should not only participate in the EPC discussions but also — in a suitable form of course — in the discussions about the adaptation of Community policies which also affect them particularly. In this way political cooperation between the Community and the applicant countries will already be increased. Parliament must also respond by developing its cooperation with the Portuguese and the Spanish parliaments as permitted by the treaties. I assume that the Bureau will soon make definite proposals on this problem.

Madam President, the accession of Portugal and Spain seems — I say seems — to pose certain problems for the Community. For instance Lord Douro has already said that under current Community rules Portugal would be a net contributor. This is an absurd idea for everyone of us and for every one in the Council! But this is not Portugal's problem. It merely lays bare existing inherent imbalances in the way things are paid for within the Community. We have already been called upon to put this right independently of the accession of Portugal. This also applies to the increasing gap in living standards between central and peripheral regions which is connected with this enlargement to the south; this problem has not been caused by enlargement! Our problem is not that there are regions with different living standards within the Community. The problem — the fundamental problem of this Community — is rather that this gap has been systematically increasing for years instead of being abolished as promised by the Treaties of Rome. This has nothing to do with the entry of Spain but it is a problem which we must tackle energetically.

We have intentionally avoided any reference to the future Mediterranean programme because Parliament is to discuss it in the next few weeks and does not want to commit itself now. There are wide differences of opinion in the House on individual aspects of the

Vring

policies and measures involved. But the general idea that these countries should join as soon as possible, and no later than 1984, should be approved by a large majority.

President. — I should like to welcome to the gallery the representatives of the Cortès of the Kingdom of Spain and of the Portuguese Assembly who are members of the parliamentary delegations associated with Parliament's delegation.

(Applause)

I call the Socialist Group.

Mrs Clywd. — Madam President, I speak on behalf of the Socialist Group and also as chairman of the European Parliament delegation to Portugal, and I join with you in welcoming our friends and colleagues who are present this evening for our debate. I must, however, apologize that they are having to listen to us debating a very important subject during these unsocial hours and not during our normal daylight hours of work. I hope the whole Parliament will join with me in opposing any future use of urgency time in this way.

Unlike Lord Douro, I do not have to declare an interest except for a deep affection and respect for Portugal and her people. Our Parliament's delegation to Portugal visited Lisbon a few weeks ago, when we discussed the state of the accession negotiations. As you know, Portugal applied for membership of the Community in 1977. Negotiations began formally the following year and have continued ever since. While a certain amount of progress has, of course, been achieved, the Joint Committee of the Portuguese Parliament and ourselves has come to the conclusion that the process of negotiations is being deliberately slowed down by some governments. We believe that this criticism should be made quite bluntly, so that we can highlight the dangers that would result from a further slowing down in the negotiating process.

Our Portuguese colleagues have pointed out that public opinion in Portugal is becoming increasingly lukewarm about the idea of accession to the Community, as a direct reaction to what is interpreted as a half-hearted response on the part of the Community to Portugal's desire for Community membership. As politicians we are particularly sensitive to public opinion, and if it is damaged by what people see as snail's pace progress towards their aspirations, then it will be difficult to regain the original enthusiasm. At one time it was thought that the date for full accession would be 1983, then it became 1984. We do not want that date to be changed again.

(Applause)

Given the time needed to ratify the accession treaty, this would mean that the treaty itself would have to be signed by the end of 1982. We do not think that this is unrealistic.

The enlargement of the Community is above all a political event. We are not a closed rich man's club. The Community is pledged, moreover, to reduce the gap between the rich and the poor. Our philosophy calls for some sacrifice on the part of the rich. By welcoming into our midst the nation which once brought the civilization of our continent to the furthest corners of the world, we can only gain an experienced and valued voice in world affairs. Membership of the Community for Portugal carries with it the usual assortment of unquantifiable advantages and disadvantages. The people of Portugal hope that we shall be able to sort out our own problems — restructuring the budget, reform of the CAP — and their country can assist in that process, but desire for membership still requires an act of faith on the part of Portugal.

We believe that the accession of a comparatively new democracy is of such political importance that it should prevail over the few difficulties which remain in the negotiations. We also maintain that each candidate country presents its own problems and that the accession of Portugal must be considered in relationship to it alone and not linked to the accession of other countries to the Community. This is what we want to see happen: an unequivocal declaration by the Council that negotiations will conclude in 1982 and that Portugal joins in January 1984, the chapters of the negotiations presenting no major problems to be concluded forthwith, both candidate countries to take part in meetings on political cooperation — and we are pleased that agreement on this latter appears to have been reached this week. Portugal wants to be involved in the shaping of policies which will directly concern it when it becomes a full Community member. We also have some questions to put to Mr Natali. What are the reasons for the delays in the Portuguese negotiations? Why has the financing of pre-accession accession aid to Portugal not been authorized?

Finally, colleagues, I would remind you that when Portugal was in the grip of the dictator Antonio Salazar for four decades, his arrogant boast for Portugal was the slogan 'proudly alone'. That Portugal no longer wishes to go it alone emphasizes the contrast between the old fascist régime and a democratically elected government. The idea that a Community of democracy might turn its back on another democratic country would be totally unacceptable. It would mean a major blow to a democracy that has only recently found expression. It would mean a disavowal of the Community and would therefore be a dangerous set-back and a real threat to its very existence.

Clywd

Madam President, we, as politicians, must insist that from 1 January 1984 onwards Portuguese and Spanish politicians will sit shoulder to shoulder with their counterparts from the other ten countries in the European Parliament.

(Applause)

President. — I call the Group of the European People's Party (Christian-Democratic Group).

Mr Lücker. — *(DE)* Madam President, I do not think it is pure chance that the debate on the accession of Spain and Portugal takes place in the same week and directly after Tuesday's debate on the prospects from the Commission mandate of 30 May, yesterday's debate on political cooperation and today's debate on the inter-institutional relationships of Community bodies which should be dealt with so that the Community can again become capable of governing. I would quote here what the German Foreign Minister, Mr Genscher, Mr Andriessen and various speakers from the groups said today: the very fact that we are taking this initiative today confirms that we all realize that the Community cannot carry on in its present state since it is not equal to present or future challenges. It has frequently been said that the Community is at the parting of the ways and everyone knows that it is not only a matter of intensifying and strengthening Community action — to mention the old ideas again — but also of enlarging the Community. I have no hesitation in saying on behalf of my group that if the Community no longer has the wisdom and strength needed to bring these negotiations to a successful conclusion, it will suffer severe damage and its political future will be in jeopardy. I do not intend to go through all the reasons in detail — this has already been done clearly and adequately in the last few days. But I do act on the principle that none of us wishes to let this Community decay into a sort of free trade area which would not have any permanent existence. Of course we have our internal problems in the economic and social areas, but we should occasionally remember the power this Community possesses thanks to its people, its spirit and its creativity.

If we bear in mind that last year the Community had the highest domestic product, greater than that of the United States of America and twice that of the Soviet Union, then we should remember what our peoples are capable of. Certainly some economic and political experts are right to say that if the Community were a real Community with a joint properly organized policy, our resources would enable us to achieve much more than we do today. I say this in order to demonstrate that the accession of Spain and Portugal does not really pose any new problems for the Community. All the problems are already there and the Community has not yet been able to solve them. There is no reason for assuming that a larger Community would have

more difficulty solving our current problems. As a person who has been involved in European unification from the very beginning I would say: when we started in 1957/58 the problems were no smaller than they are today and we still managed. It is not therefore a matter of the objective difficulty of the problems — the trouble is that the political will and the vision of a politically strong Europe have been greatly weakened, particularly among political leaders. The initial enthusiasm must be revived. This has been said often enough in the past few days. A third point: Spain and Portugal applied for accession in 1977, Spain after Portugal. That was 4½ years ago. I still remember the first enlargement to include Great Britain, Ireland and Denmark. The negotiations began in January 1970 and on 1 January 1973, that is after 3 years, these countries joined us as members of the European Community. 4½ years have now elapsed during this second round of enlargement and the negotiations are, to put it euphemistically, at the first stage in their troubled course.

The reason for this is not the will of the applicant countries but the failure of our Community. Of course there were problems the first time with the financial contribution of the United Kingdom, with the attitude of the French Government, with the intensification and strengthening of Community action. Those were problems. But I should like to think — and I hope that the new French President, Mr Mitterand, will be more forthcoming in this respect — that many of these problems were exaggerated. At any rate this long delay reflects badly on the Community and we have therefore mentioned it in our resolution.

I would like to point out one other thing, Madam President: all the fine political statements, the declarations of solidarity between rich and poor will lose credibility if we do not have the courage to use our opportunities to make a policy which will actually complete Europe by the accession of these two old European countries.

If I may quote the venerable 'Aunty Times' — I crave the indulgence of the honourable English Members — which said the day before yesterday in a very interesting article that Spain has not only achieved democracy, she has now resolved through her Parliament to help strengthen European security, which is so often mentioned in the House, by joining the Western alliance. The Times concludes from this that we should now speed up the negotiations and make sure that these two countries join the Community as soon as possible.

Madam President, my group also withdraws its own original motion for a resolution. Like the previous speaker, I am glad that it has again been possible for the political groups in the House to prepare a joint text, since I should like to point out that up to now this House has always been 90-95% in favour of the accession of these two countries. I am most thankful

Lücker

that this goodwill still exists. It is being expressed here this evening and it is also mentioned in the resolution. We are in agreement not only on the political topicality of our request but also on the political significance of the accession of these two countries not only for themselves but also for the Community.

I need only to mention how we will thus contribute to the political and economic stabilization of the Mediterranean and build a new bridge to the peoples of Africa and Latin America, to these new partners. This will all help to strengthen the Community's role in world policy as a peaceful power working for a better and fairer world order. We are fortunate that the Mediterranean countries and the countries in the northern part of the Community complement one another in many ways. We must make good use of this.

It will be the task of the Commission in particular to make the necessary proposals. Problems of adaptation naturally do exist. We therefore need a transitional period and transitional measures and I am pleased to say that the Committee on Regional Policy and Regional Planning recently voted in favour of the Mediterranean plan with which the groups of this House have indicated their intentions. This is the path we must follow, for these problems will not be solved in 5 years and, you may rest assured, not in 10 years either. It will be a matter of generations and our policy will have to be a long-term one.

It is good that we have been able to debate the matter this evening in order to ask the European Council, which meets next week in London — and I hope that the members of the British presidency will duly report what is said here today and what is said in our resolution — to confirm 1 January 1984 as the date of accession as officially set by the Commission. The Parliament has accepted this year's delay with a heavy heart since we would have preferred negotiations to be completed in time for accession to take place not later than 1983.

We also welcome the decision of the Council of Foreign Ministers to give both governments more intensive and privileged consultation within the framework of Political Cooperation. We think it is necessary and the Council should also consult the two governments in connection with reform policies which were not decided on until after they made their application in 1977.

I hope, Madam President, that these political statements by the House give a new sign that we believe in Europe and that Spain and Portugal are also part of this Europe on the grounds of their history, culture and democratically legitimate will to cooperate in the European Community.

(Applause)

President. — I call the European Democratic Group.

Miss Hooper. — Madam President, my basic plea in the short amount of time allotted to me is that the Parliament and other institutions of the Community should concentrate on planning the entry of Spain and Portugal. I think we all agree on the desirability of that entry and of the enlargement of the Community. We must therefore insist that all possible means are used to ensure that we on the Community side are not responsible for delays or lack of effort. For this reason, we as a Parliament want the deadline set at February next year for a full debate and an account of action taken to date and action needed in the future.

Of course there are problems and many matters which must be resolved before accession, but we still have two full years to go. To take a very specific example, there are many, including Mr Israel tonight, who argue that Spain should be taking steps to introduce Value-Added Tax prior to accession. But as long as the date of accession is in doubt, in all fairness, how can they plan and prepare for such a programme?

Some people also seem to suggest that by delaying the date of accession the problems will disappear. In my view problems never disappear; and even if some do, they are immediately replaced by others. So the time is never perfect. I speak with feeling, Madam President, because if my country had been allowed to join the Community in the early 1960s, when we first applied, our position now would be much stronger, both economically and with regard to our participation in, and input into, Community affairs.

(Applause)

Madam President, I think this House must recognize, without my needing to repeat what others have already said, the political need for this enlargement. It must also recognize that it can be achieved if the political will is there.

From a very personal point of view, I must say that one of my aims in seeking election to the European Parliament was to be involved in the admission of Spain and Portugal to the Community and in the consequent enlargement.

I hope, therefore, that this House, in supporting these motions, will show that the democratically elected European Parliament can lead the way in ensuring that we have in our midst before the end of the first term of that Parliament our colleagues from Spain and Portugal. We should be glad that they want to join us.

(Applause)

President. — I call the Communist and Allies Group.

Mr Galluzzi. — (IT) Madam President, the Italian Members of the Communist and Allies Group intend to vote for the joint resolution, and it is not only because we are convinced that enlarging the Community to include Spain and Portugal is in Europe's interest because it can strengthen European democracy in general, boost the prestige of Europe and its international role and help the internal readjustment of the Community, which is an essential prerequisite if we are going to pull through the crisis affecting us and stop the process of integration from lurching to a halt. We are also in favour of the resolution because we feel there is a need for a definite move and commitment by all the Community institutions, and especially by the Council, to boost the accession negotiations so that the two applicant states can join the Community by January 1984.

Madam President, ladies and gentlemen, we are saying this because we believe in the effect in terms of political pressure of setting a date, especially in a political situation which is as complex and difficult as the situation facing us and the applicant countries, and also because the negotiations — and this has to be admitted — are not going at all well. The reasons for this disappointing progress are not simply that the problems to be solved are complex, but that there is doubt, reluctance and delay in the Community and conflict and doubt in the Council, which is incapable of adopting a line and taking decisions and which is trying to make the progress and actual conduct of the talks dependent on finding a solution to the Community's internal problems and to adapt the development of the talks to these problems.

The fact of the matter, ladies and gentlemen, is that an awful lot of water has gone under the bridge since enlargement was deemed a historic event, a challenge for the 1980s, the turning-point of the whole Mediterranean policy of the European Community and of the Community's internal and international policy. It seems there are few people left who still maintain these views, and even Mr Natali's laudable commitment is likely to be of no avail as the Council — and the Commission as well, it seems — opts for a line which spotlights more and more the risks and the negative effects of the operation and which questions the actual political decision in favour of enlargement.

This is not just the sudden realization of unforeseen problems, because the problems that enlargement entailed were known from the outset. The fact is that in some Member States a conservative and static view of the Community is taking hold, a calculating approach which sees each new commitment as a blow to one's own interests without appreciating the new opportunities it can bring to the Community and to the Member States.

The enlargement of the Community represents a policy and not a charity. It is a policy for the Community which requires the commitment of all its

efforts and which calls for an active response so that the economic, political and social problems it raises — problems which affect both Europe and the applicant countries — can be solved in the context of the Community of Twelve.

It is our view that what we need to do today, as a European Parliament, is to provide an example of this pressing need to work together, to strive to get the applicant countries' MPs really involved in our discussions and decisions on our common problems. And I do not mean they should just be here as spectators as they are this evening — and we properly welcomed them — however attentive they may listen, but that they should be active participants in our work and in our joint action.

Let me say again that for the Italian Communists and Allies enlargement represents a policy, and it is in order to promote this policy that we shall be voting in favour of the motion for a resolution.

President. — I call the Liberal and Democratic Group.

Mrs von Alemann. — (DE) Madam President, I speak on behalf of the Liberal and Democratic Group and on behalf of Mr Ives Galland, Deputy Chairman of the EP/Portugal Mixed Parliamentary Delegation who unfortunately cannot be present this evening.

I too should like to extend a hearty welcome to the future Members of this House who are now in the gallery. We are very glad to see you here today and we hope as Mr Galluzzi just said, that you will soon take your places with us in this Assembly.

Ladies and gentlemen, Jean Monnet gave his memories the subtitle *Nous ne coalisons pas des États, nous unissons des hommes*.

In the chapter on the accession negotiations with the United Kingdom in 1961 he comments:

Un règlement d'ensemble a peu de chance de sortir d'un marchandage de détail. En revanche, les détails s'organisent et les problèmes particuliers se règlent plus facilement quand on les examine dans le cadre d'un accord général.

It is a credit to the Political Affairs Committee that it has requested this debate. The European Parliament thus declares its political will to have clear answers to definite questions. We the Liberal and Democratic Group support the proposed Amendment No 1 which other groups have also signed. We ask for practical information. We want to be better informed. We want our colleagues in Spain and Portugal to be drawn into the negotiating process more quickly. I should like to ask you, Mr Natali, when you will actually begin the agricultural negotiations with Spain? The Liberal and Democratic Group is aware of the problems in various

Alemann

sectors of economic and agricultural policy resulting from enlargement to the south. Our political commitment and our duties to these young democracies are of course more important. These young democracies see an example in our democracies. We cannot disappoint them, ladies and gentlemen. But we will disappoint them if we close our doors to them for economic and social reasons. We shall also weaken their institutions since membership of an organization like the Community is also a defence against political adventure, a threat to all democracies in our troubled times.

Thanks to the plans put to us by the foreign ministers of Italy and the Federal Republic, we are seeing a new start to Community policy. At this moment we will however lose our credibility if we let national self-interest win the day. Do we really have principles or do we not?

The negotiations are stagnating and we ask you Mr Natali to draw up a report on them as soon as possible. In particular we would like to know the difficulties, including the difficulties in agricultural and fisheries policy. We must be informed about the cost. We must have more detailed discussions, not just in a committee, about the Mediterranean plan which has now thank Heaven, been accepted. We must know how the problems of certain economic sectors and/or certain regions which are particularly hard-hit, can be solved. We must discuss budget problems too. Of course we have committed ourselves with the mandate of 30 May to a whole series of important reforms to the Community of Ten. We must pursue these aims energetically and they will claim a good deal of our time. But as our friend Mr Ignazio Camunas who is here today said: We must categorically reject the thesis that the accession negotiations must be slowed down until we have improved the internal structures and carried out the reforms. We however believe that it is absolutely necessary for the two processes to go hand in hand. If 1984 is the final deadline for accession of the two countries then the first half of 1982 will be the decisive phase. This means practical negotiations in Brussels, Madrid and Lisbon. We believe that is important. And I should like to mention another point which Mr Galland would like to emphasize once again. He said that the problems of both applicant countries are the same but are of different size and scope and that these different circumstances must be taken into account. We in the Mixed EP/Cortes Delegation have had some frustrating meetings and I think this also applies to the Portugal/European Parliament Delegation. Together with the Political Affairs Committee we will continue to try to speed up these negotiations with a little imagination and new possibilities of cooperation even if this is not our direct mandate. It is however our duty to make life as simple as possible for our opposite numbers and if at all possible to make 1984 the date of accession —

(Applause)

President. — I call the Group of European Progressive Democrats.

Mr Junot. — *(FR)* Madam President, some of the previous speakers with their emphasis on fixing a deadline seem to suggest that the motion which we tabled and which substitutes the concept of prior conditions for that of a deadline, is designed to cause delays.

This is not true at all. We are not opposed to fixing a date, even earlier than 1984, but we do not want just any kind of enlargement. We want a successful enlargement, both for the new members and for the present Community. And for this we regard it as indispensable that a certain number of conditions, those stated in our motion, first be met. We would be delighted if it could be before 1 January 1984.

President. — I call Mr Sutra.

Mr Sutra. — *(FR)* Madam President, first of all I should like to thank you for conferring such importance to this debate by your presence; indeed it would merit the presence of more of my fellow Members.

Let me point out in a few minutes, and almost in telegraphic style, that firstly there are no negotiations underway. We have been told for years that negotiations are going on with Spain, and at the last European Summit we learned that the agricultural file, the industrial file and the taxation file have been put aside until better times. These have been replaced by a long list of small secondary details, and yet one continues to speak of 1 January 1984. We are proceeding towards enlargement blindfold. Well, as far as I am concerned there can be no enlargement until we know how it will be arranged! There are no conditions for the opening of negotiations but there cannot be a hasty Treaty. Everything must be included in the Accession Treaty, so that we do not start the vicious circle of renegotiation the day after accession. The British example is fresh in all our minds. This is why we wish to take this matter seriously. The Accession Treaty must be serious, and we will not sacrifice the content of the Treaty to the political needs of the moment.

What must this content be? Solidarity in the south, no 'war of the poor', as we have seen between France and Italy for ten years; but the 'war of the poor' is the product of nationalism, and as long as the problem is posed in terms of national rivalry the only result can be this 'war of the poor'. It is only when the southern countries find cohesion and cohesiveness and make their presence known to the powerful northern Europe, as it exists at present, that we will be able to make progress in this sphere. There is a shared Mediterranean point of view and it is necessary to under-

Sutra

stand fully the importance of Community enlargement as a way of allowing this solidarity of the southern countries to find expression.

Madam President, I only have a few minutes and I will conclude, but unfortunately with some sordid details. Less than 10% of the EAGGF expenditure concerns Mediterranean agriculture, and more than 90% so-called 'continental' agriculture. I have not seen any example of great generosity on the part of those who are demanding speedy enlargement . . .

(Applause)

In this debate I associate myself with the Sicilian wine-growers as well as with the Spanish farmers. It is Southern Europe's position which is at stake here; it is this that will determine whether enlargement is successful and whether Europe can find its Mediterranean face and pursue the policy it needs in the Mediterranean. Let us not forget that, at present, this sea has more atomic submarines than fish, and if Europe abandons this sea to the confrontation between the two superpowers, it will be the victim of its own lack of influence in the world. This is what is at stake in the debate here today.

(Applause)

President. — I call Mr Ligios.

Mr Ligios. — *(IT)* Mr President, since the political decision to open the Community to Spain and Portugal was taken about three years ago, the matter has got bogged down in a series of negotiations, the slowness of which is beginning — as this debate clearly shows — to be of some concern to this Parliament, or at least to those politicians who have campaigned here and in their own countries for a swift entry, with greater emphasis on the political rather than the economic aspects. The Group of the European People's Party — on whose behalf I am speaking, along with Mr Lückner and Mr d'Ormesson — has consistently followed this line, not because we do not have proper regard for the economic problems which the accession of these two countries will pose for the Community but because we are deeply attached to our countries' Christian Democratic ideals which underpin the creation of a united Europe.

The principle is sanctioned by the Treaty of Rome which says that the Community is open to any democratic European nation which submits an application. I believe that the tremendous feeling of hope that the Community has been able to give these two great nations — and let us not forget, ladies and gentlemen, that their civilized past has contributed so much in modern times to the development of our continent by expanding our horizons and extending the confines of the old Europe — the hope of belonging one day to a

united, free and democratic Europe has helped these two countries to shuffle off the dictatorships which shackled them for forty years.

But I want to get things quite clear. It is not enough for the parties in this Parliament to be unanimous in approving and calling for this third enlargement of the Community. We are to realize that the membership of Spain and Portugal will involve an economic cost which will have to be borne jointly by the Community. It is not right or proper that the burden of enlargement should be borne or that people should want it to be borne just by the regions in the Community which are going to compete with the new Member States. I am talking about the poorest regions which until now have seen little evidence of Europe's solidarity.

You cannot on the one hand be like some people and advocate the accession of Spain and Portugal — and I agree here with what Mr Sutra said — and on the other hand want to keep the Community's own resources at their present level and oppose all those policies which are needed to cope with the existing imbalances, which are in fact increasing the gap between the rich and the poor regions, or even go as far as to sanctify the distorting procedures of the common agricultural policy, with the result that farming in the Po valley of around Paris is getting three times what the poor olive-grower in the south of Italy or the wine-grower in the Midi of France is getting from the common agricultural policy.

Mr President, I must finish because my time is running out and I must leave a couple of minutes for my colleague, Mr d'Ormesson. We are already divided by the wine war, and it would be terrible if we were also to be divided by a war over enlargement.

Let me close by making a recommendation to the Commission. We do not think that the Commission is to blame for the slowness of the negotiations. We know where the blame lies. We pay tribute to the Commission and to Mr Natali in particular for their unselfish role in these negotiations, but we also urge the Commission and Mr Natali to push ahead boldly, sure in the knowledge that every bold move in this direction has, and will have in the future, the support of the European Parliament and, of course, the support of the group to which I belong and on whose behalf I have been speaking.

(Applause from the centre)

President. — I call Mr Beazley.

Mr Beazley. — Madam President, the Portuguese have a saying '*o dia tem muito tempo*' — 'there is a lot of time in each day.' I have two minutes only, so I shall make my points telegraphically. Now the Portuguese also say '*quando o sol nasce, nasce para*

Beazley

todos: 'when the sun rises, it comes up for everyone'. But the reverse is also true: when the lights of Europe go out, they go out for everyone. I fully support therefore the accession of the two countries and I welcome the presence of the two delegations in the gallery here today. In consequence, I hope that we may be able to obtain consensus on the following points between this House, the Commission, the Council and the applicant nations.

1. This House, with its mandate from the people of Europe, must be kept fully apprised of the progress of the enlargement negotiations. Whilst not a partner in the negotiating process, its opinion and support must be sought.

2. A proper balance must be struck between the political desirability of enlargement and the difficulties of achieving it. Whilst the political gains are very considerable to both the Community and the applicant nations, so are the difficulties in all sectors. These must be faced up to in a positive way with equal determination to solve them practically.

3. The negotiations for enlargement must be kept quite separate from the Community's discussions on the mandate of 30 May and the launching of the second-generation Community. Spain and Portugal should not be asked to jump on a moving train, nor should they wish to do so.

4. Both sets of negotiations must be handled positively, urgently and simultaneously. But the Community's problems must be settled first, before accession, and that means by early in 1982.

5. Other than the fact that both Spain and Portugal are situated within the Iberian Peninsula, there is no further similarity between these two separate nations, whether historically, culturally, linguistically, in terrestrial size, in population, in development, or in the nature of the difficulties which the Community and each of these nations face individually over accession. In this regard, I must point out that Portugal is an Atlantic nation and not a Mediterranean one.

6. Finally, therefore, unless by pure chance the separate negotiations are finalized on the same date, no attempt must be made to get them to fit a common pattern as regards timing or content.

(Applause)

President. — I call Mrs Poirier.

Mrs Poirier. — *(FR)* Madam President, there has finally been a debate on enlargement in the European Parliament, and we are grateful for that, even if it is too short in view of the importance of the question raised.

We had been asking for this debate for a long time. Today, nobody can contest the fact that Community enlargement to include Spain and Portugal will pose insoluble problems, both for the Community's and the applicant countries' agriculture, industry, and economy, and furthermore it is the very future of the Community which is at stake. But perhaps it is because the stakes are too high that some people refuse to engage in the fundamental debate, because this evening there has been no fundamental debate. Usually we are told — and again this evening — that enlargement is necessary for political reasons, but in our view the basis for political determination lies in the interests of peoples and of workers.

Now, what is involved in this question of enlargement? In the few moments available to me I can only give the broad outlines, but I refer you to all the documents drawn up by the Commission in particular, and which, moreover, you are familiar with.

First of all, where my own country is concerned, enlargement would be disastrous for the Mediterranean regions, for the South-West of France, for Mediterranean agricultural products — wine in particular, fruit and vegetables — and for several important sectors of industry, for example textiles, iron and steel, shipbuilding, the shoe industry, the motor industry, and all this is true not only for France. The consequences would be so serious that what is envisaged to achieve this enlargement is to abolish the unanimity rule — and there was some talk just now of democracy in the Council of Ministers — and thereby to undermine national independence and sovereignty.

The consequences would be just as serious, and perhaps even more so, for the applicant countries, and entry to the EEC would require profound restructuring — a fact which is being concealed from the citizens of these countries and which would involve, in particular, the planned disappearance of tens of thousands of small and medium-sized firms. I am thinking for example of the glass industry, the automobile-related industries in Spain. Enlargement will increase these countries' dependence on the multinationals which dominate Europe. In reality, in the present crisis, enlargement would speed up restructuring and redeployment, and hence increase unemployment, on both sides of the Pyrenees, and indeed this is also the plan. We do not believe that the workers of Spain and Portugal would benefit — on the contrary. They will be used to put even more pressure on salaries and working conditions in the Community.

But outside the EEC, Spain and Portugal, anxiety is beginning to spread. This is the case in the Mediterranean countries whose young industry is threatened. It is the case in the ACP countries who have just said so forcefully at the recent meeting of the ACP-EEC Consultative Assembly. It is the case in numerous developing countries whose trade relations with the EEC are also affected.

Poirier

All this leads us to conclude that this enlargement is not in the interests of the people, and the manner in which it is being prepared also confirms these misgivings. The promised guarantees and safeguard clauses are only an illusion, as the proposals which the Commission has just made on Mediterranean products already prove. Their refusal to regulate the price of vegetable fats would be disastrous for Spanish agriculture; it would signal the end of the traditional cultivation of the olive. Why, during the droning on this evening, has nobody yet said that enlargement will signify the grubbing-up of tens of thousands of olive trees — and this is a conservative estimate.

Such a damning end result should lead one to reflect on relations between the EEC and the two applicant countries. Indeed, is it not possible to arrange fruitful relations with these countries which would be in the interest of the people, in the interest of the workers of these countries? Obviously the reply is yes, and moreover Spain, for example, is participating in the construction of the airbus, which is an example of successful industrial cooperation in Europe. Trade relations must also be developed, basing cooperation on complementary developments on both sides. Enlargement is a process which undermines, which mutilates, which aggravates the crisis and which separates peoples rather than bringing them closer together; we have examples of this.

The French Communists and Allies who were to the fore in showing solidarity with Spain and Portugal during the dictatorship, which is more than some people in this Parliament can say, want something quite different. They are convinced today that, by opposing this enlargement, they are speaking in the best interests of the people.

(Applause from the Communist and Allies Group)

President. — I call Mr Pasmazoglou.

Mr Pasmazoglou. — (GR) Madam President, I should like to emphasize the importance of the motions before us this evening and express my conviction that the great majority of the Greek people which believes in progress, political weight and economic and social development within the European Community, supports the accession of Spain and Portugal. I also believe that we owe a message of reassurance to the Spanish and Portuguese peoples, a message which will not only have a stabilizing effect on political developments but will also strengthen economic and social development in these two Mediterranean countries.

However, Madam President, I should also like to point out that the arguments one frequently hears against the accession of these two countries do not, in my opinion, carry any weight. Three of these arguments have been heard repeatedly this evening.

It has been maintained, firstly, that there are difficulties because both Spain and Portugal will have a net financial gain through their accession. This is understandable and, if it is the result of the existing rules, so be it. May I point out that the economic crisis does not constitute an argument against the accession of these two countries, but rather the contrary. Their accession could be a factor in overcoming the economic crisis, as Mr Galluzzi pointed out a short time ago.

A second argument that is frequently put forward is the protection of agricultural produce. If there is a genuine agricultural policy it will be possible to solve these problems for the two countries acceding to the Community as well as for the rest of the Member States, and this applies also to all problems affecting the agricultural produce of the ten countries which currently make up the Community.

The third argument concerns institutional reforms. However, we are currently in the process of reorganizing the entire Community, and we therefore can and must — this is something we owe to the Spanish and Portuguese peoples — take into account the fact that the Community will have to function with twelve Member States, and we will have to draw up and implement proper arrangements in this respect.

Mr Sutra said a short time ago that the seriousness of the negotiations and the final outcome will depend on the length of the negotiations. I do not believe this is true. Frequently, the speed of the negotiations, as well as the political spirit in which they are conducted, can lead to a positive, lasting and concrete result, and I believe that this is both possible and essential.

My final remark, Madam President, is that not only will the accession of Spain and Portugal stabilize these two countries politically and economically — it will also enrich the European Community politically, economically and culturally.

President. — I call Mr Papandoniou.

Mr Papandoniou. — (GR) Madam President, the prospect of enlargement towards the south increases the need for radical changes in many of the Community's policies. Like Greece, which is already a member, Spain and Portugal are countries with a very low level of development and with structures, particularly in agriculture, which differ from those in the countries which set up the Community. Ignoring this fact will aggravate the unbalanced nature of European economic development and seriously endanger the very future of the Community. The sectors of Community activity which are in greatest need of review and change are as follows:

Firstly, the Common Agricultural Policy, which at present favours northern European products — many

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of which are in structural surplus — to the detriment of Mediterranean produce. The system of guaranteed prices must be extended to all Mediterranean products and the guaranteed prices fixed at a level which ensures the producers an adequate income. Provision should also be made for resources to be made available from the Guidance Section of the EAGGF to speed up changes in the backward structures of Mediterranean agriculture.

Secondly, regional policy. The resources of the Regional Fund remain totally inadequate for the purposes of the regions of the south, despite the Commission's moves to have them restructured, and they must be substantially increased. The criteria for eligibility for these funds must be reviewed so that they take account not only of differences in income between the regions of each country individually, but also of differences in income between individual countries.

The third point concerns the Mediterranean programmes. The lines of action laid down by the Commission are too general. In accordance with the commitment it has assumed, the Commission must submit specific draft programmes in 1982.

Finally, industrial policy. The industries of the southern European countries are confronted with problems different from those facing the advanced economies of northern Europe. Sectors which are in decline in the developed economies have considerable opportunities for expansion in the economies of southern Europe. On the other hand, sectors which are expanding and flourishing in the advanced economies are still in their infancy in the developing economies. The rules of the Community's industrial policy will therefore have to be changed, so as to make it easier for these countries to implement the structural changes needed for them to be able to face up to international competition.

(Applause from the Socialist Group)

President. — I call Mr d'Ormesson.

Mr d'Ormesson. — *(FR)* Madam President, everybody here knows that the Mediterranean is a sea that is closed by two straits and into which jut out the Iberian, Italian and Balkan peninsulas.

For this reason the strategic, political and cultural importance of enlargement is evident. However, for the Common Agricultural Policy, enlargement presents a threefold problem: olive oil, fruit and vegetables, wine. Not to speak of fishing. In addition there is the problem of the developing countries of the Mediterranean region, with which the EEC is linked through cooperation agreements.

To continue to provide Community markets for these countries is just as important, strategically, as the entry of Spain and Portugal. In saying this I weigh my words carefully since countries such as Morocco, Egypt, Israel and the Lebanon are included. Consequently, enlargement implies also agreeing to finance an extensive policy to ensure support for the products which we purchase from them, to enable their withdrawal from the market where necessary and to encourage storage capacity and the export of these products.

The eastern bloc, as I mentioned yesterday, owes some 80 000 million dollars to the west. This summer, in the economic section of *le Figaro*, Ambassador François de Rosex observed that the west is in fact supporting two budgets, its own and, indirectly, that of the Soviet Union. Would it not be wiser to save our loans for the peoples who share the Mediterranean with us? That is the question which I want to ask in this debate this evening.

(Applause)

President. — I call Mr Maffre-Baugé.

Mr Maffre-Baugé. — *(FR)* When cleverly manipulated here in Parliament the purely political approach can conceal quite a lot. This is the case with the enlargement of the EEC to include Spain and Portugal. Most of the Members of this Parliament are refusing to face up to the risks involved, both for the applicant countries and for the Community. With a wave of the hand, the major question of employment is dismissed, and the ensuing social and economic consequences are disregarded. What matter to some that companies disappear and the spectre of unemployment grows. The desire for economic liberalism erases the difficulties and, it would appear, disregards the figures. I was in Portugal a few days ago with the Joint Committee. I listened carefully to the Portuguese Members of Parliament and learned some significant statistics. Just one example: the average yield per hectare of wheat is 1 300 kg, whereas in the EEC it is 3 800 kg. The physical crop yields per unit vary between half and a quarter of the corresponding EEC averages. The serious technological gap, combined with unsuitable agrarian structures, means that there has to be a dual system of subsidies for the producer and the consumer. What will be the fate of the victims of the merciless free-for-all. Of course the weakest will disappear. No matter: The desired result will be obtained, Portugal will form part of a political and military system, people and institutions will have to adapt. Some of those living in the applicant countries have the naivety to believe that Europe is a fairy godmother distributing largesse. How disillusioned they will be. We are concealing the rules of the game from these countries.

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Spain, too will be seriously affected, but on the other hand it will seriously disrupt wider sectors of EEC production. It will flood the Community with its fruit, its vegetables, its wines, its oil and much more. It is the Mediterranean regions, in particular, which will pay the bill for this enlargement.

I thought I was dreaming when I heard some people advocate the entry of Spain and Portugal in order to restore the north-south balance. On the contrary, it will heighten the imbalances in the southern regions of Europe, it will accelerate unemployment, it will undermine the precarious balance of trade with the countries on the periphery of the Mediterranean, such as the Maghreb countries and the Middle East. Instead of adopting an intelligent policy of cooperation with the applicant countries, we will be precipitating the Europe of the Thirteen into economic disaster. Europe is staking everything and risking the well-being of its people, and that is a pity. More than ever, Madam President, I believe in cooperation between various nations, and more than ever I reject the idea of a Europe enlarged in haste, where only the big ships of finance will ride the storm, while we will founder on the reefs. Time will tell.

President. — I call Mr Kirkos.

Mr Kirkos. — (GR) Madam President, we unreservedly support the accession of Spain and Portugal to the European Community and shall be voting in favour of the motion for a resolution.

Firstly, because we are bound to these countries by a common fate. In Greece as well, the last war did not see the end of an autocratic and fascist regime which was strongly supported by the most conservative forces in Europe and the United States.

The almost simultaneous overthrow of these regimes opened up new prospects for democratic progress in Europe, and although the defence of democratic institutions can only be based first and foremost on the watchfulness and struggle of each people, there can be no doubt that accession to the Community makes it easier to repulse the forces hostile to democracy which, as recent events in Spain have shown, continue to exist in these countries.

Secondly, because we are bound by the special feeling of solidarity between the less developed regions of the Community. We believe that the accession of the two candidate countries will revive the search for a redistribution of the Community's resources and strengthen those forces which see the future of the Community not in the maintenance of the gains of its wealthy concerns but in a new rapprochement and in new solutions based on the protection of the workers.

Thirdly and finally, this morning's debate on the Genscher and Colombo proposals left me with the

impression that solutions to the crisis currently facing the Community are being sought in the framework of new measures — which will make it easier to reach decisions — but still within the very policies and economic guidelines which those in power in the Community have imposed up till now.

Progress towards the accession of Spain and Portugal obliges all of us — in the light of experience and of the accession of Greece — to review not only the mechanisms and workings, but rather the fundamental political and economic decisions. The call for a separate European identity *vis-à-vis* the superpowers, which would give a new impulse to efforts to achieve peace, cooperation and development at world level, is in my view the modern expression of the European ideal.

It is our duty to take a frank look at the problem on the occasion of the accession of Spain and Portugal, which we strongly support. We should like this accession to be speeded up as much as possible, and we agree with all the proposals to this end.

(Applause)

President. — I call Mr Efremidis.

Mr Efremidis. — (GR) Madam President, as Members of the Communist Party of Greece, and in line with our stance on the withdrawal of Greece from the EEC, we are against the accession of Portugal and Spain.

We believe that this stance will help the two peoples, whose workers do not have an opportunity to oppose the accession despite their resolve. We reject the proposed accession because of the negative experience of the Greek people, and also because we do not want these two peoples to be subjected to the monopolistic legislation prevailing in the EEC or to be dragged into the adventurous course outlined in the Diligent motion and in today's statements by Mr Genscher and Mr Colombo.

As regards the so-called strengthening of democracy in these two countries, we would point out that those who resort to this argument are the very people who today rejected the proposed condemnation of the barbaric dictatorship in Turkey.

Let us stop beating about the bush. The accession of these two countries, and others, is going to be used as the first step in getting Spain into NATO, despite the opposition of the overwhelming majority of the Spanish people, as has been shown only recently in popular demonstrations. This confirms the accuracy of the popular slogan in Greece 'EEC and NATO too — different names but the same old crew'.

(Applause)

President. — I call Mr Vandemeulebroucke.

Mr Vandemeulebroucke. — (NL) Madam President, in principle we are in favour of the accession of Spain and Portugal. I listened attentively to what Mr Beazley said. One of his points was that 'Spain and Portugal should neither be asked to jump on a moving train'. I quite appreciate this. Proper preparations for Spanish and Portuguese accession are indispensable. I should like to deal with a few points which in my opinion have not been discussed at all in connection with accession and particularly as regards Spain.

I feel that we cannot ignore the fact that Spain has undergone an extremely important basic restructuring after Franco. The Basque country, Catalonia Galicia have received autonomous status. In June of this year we had a Catalan delegation here which spoke to a great number of people in all groups and discussed the possible accession. We think that the negotiations and preparations for accession must take this basic fact into account, first and foremost by setting up Community information offices working in the language of the autonomous regions. We must bring Europe to the people. Is the Commission prepared to do this?

I also think we must take into account the parliamentary structure of the regions and regard their autonomous regional governments as partners in the dialogue. The problems are fundamentally different from region to region. Think of Galicia, a desparately poor region living mainly from agriculture with farms of an average of one and a half hectares. If we were to apply European agricultural policy there, it would mean total annihilation.

Then we might think about fisheries structure. For Galicia with its very small ship owners a uniform solution would be a disaster. And then there is Catalonia which lives mainly from trade round the Mediterranean. There too a completely different approach is necessary. The Basque country with its mountainous structure will present quite different problems. There we need inter-regional consultations between the areas on both sides of the Pyrenees. I must also mention, and this applies to Portugal as well as Spain, the special situation of the islands: the Balearic Islands, the Canaries and, in Portugal's case, the Azores. These islands have their own special conditions which cannot really be evaluated from Lisbon or Madrid alone. Is the Commission prepared to try to have consultations on a regional basis?

There is another aspect to the problem: the electoral system. In the European Parliament we are working on new uniform European electoral legislation. In some documents it already says that this legislation must be applicable to Spain and Portugal even before the two countries have actually decided to join the Community. Well, what is then going to happen to the

autonomous regions? Should there be electoral systems for each region or should there not? In view of the fact that there are various governments and parliaments in Spain recognized by the constitution should we not take this into account when describing the electoral systems? I do not think that national communities like this, which have fought so long for self-determination, should be catapulted into a European situation in which they will no longer be able to recognize themselves.

Ladies and gentlemen, we are always talking about reallocating Community funds in order to give more importance to a regional and social approach. How often will the regional and social approach coincide, since certain regions are both socially and regionally underprivileged? As regards Spanish accession for example regional and social assistance will be vitally important. Again and again we talk about the value of doing things on a small scale. A few hours ago this was mentioned repeatedly in connection with environmental problems. It is a sign of true federation that the base is left to do what it can do and only the things it cannot do are passed on to a higher authority.

We think that a federal structure should enable the regions to retain their own vision and their own identity. We therefore urge that particularly as regards the autonomous regions and the islands we should have consultations which create confidence, confidence in another kind of Europe. Not a Europe of states and Member States but a Europe based on equality of, and respect for, each separate culture, each economic entity and each type of society. We therefore believe that the Basque and the Catalans, the Galicians and the other communities in Spain and Portugal can give a unique new impulse towards a new kind of Europe. This is why we are so biased in favour of the accession of both countries.

President. — I call the Commission

Mr Natali, Vice-President of the Commission. — (IT) Madam President, ladies and gentlemen, last September I had the privilege of taking part in a debate by the Political Affairs Committee on the problems of the accession negotiations, and more recently I outlined for the benefit of your Committee on Agriculture the problems connected with this particularly tricky aspect of the negotiations. I am especially happy to take this opportunity this evening to come back to this matter at this delicate stage in the proceedings.

You must acknowledge, Madam President, that I should need a great deal of time if I were to answer all the queries that have been put to me and all the very specific and intelligent comments. Rather than take a lot of time, I just want to mention one or two points which I feel are politically significant. Anyhow, in a motion for a resolution that has been tabled, the

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Commission is called upon to submit a report on the progress of negotiations in February 1982. We can take a closer look at the matter when that time comes. I imagine that will be the right time, Lord Douro, for you to draw up the report you were asked to prepare by the Political Affairs Committee about two years ago.

It is often said that the negotiations with Spain and Portugal have come to a halt. This is true to a certain extent if you compare the situation with what happened at the time of the last enlargement. Things came to a halt then, you know, but then got moving again and within a year enlargement was a fact. We must not forget that when Spain and Portugal submitted their applications there was no hold-up at that point but rather a series of endorsements by all the Member States, which welcomed the Portuguese and Spanish applications as a sign of the two countries' return to democracy. I know the negotiations went slowly but this was not due to any lack of enthusiasm on the part of the Commission. If I may, there is a personal comment I should like to make. Lord Douro addressed one or two personal remarks in my direction. I accept them as regards my lack of experience but I cannot accept them in the sense that people with my religion in his country are called 'papists'. The papists know that the gift of ubiquity is the prerogative of saints and not sinners. I am a sinner and I certainly do not have the gift of ubiquity . . .

(Laughter)

. . . if Parliament holds the meeting of the joint committee with Spain and Portugal at the same time as there is a round of negotiations between the Council of Ministers and Spain and Portugal. As I said, there is no lack of enthusiasm on the part of the Commission.

For each of the 20 main headings into which the negotiations are divided — and I shall spare you the list — the Commission has provided the information requested by the Member States for the purpose of getting an overall picture. The Commission has even gone as far as to suggest solutions for the differences in legislation, for the barriers and for the exceptions which can be expected during the transition period, however long it is. In the case of almost all these headings as regards Spain, the delays have been caused either by differences to be cleared up or, what is worse, by reluctance on the part of the Member States, and on the part of the applicant countries as well, to say where they stand.

Let me make it clear that I am not impugning anyone's intentions but I cannot fail to note that as long as one side wants to retain a few cards for the final hand, the other side is bound to act in the same way, and there is then a risk that the final hand will get out of all proportion. There will be a whole series of unknowns and the game will be a nightmare for both sides. What should be the hour of decision — and let me use a

Spanish phrase: the hour of decision is the hour of the bullfight, *las cinco de la tarde* — drags on and on to become the year of decision, because you have to wade through all the backlog which has piled up because of reluctance, reticence and postponement. All this backlog has to be carefully sifted into so many packages, and each one will generally be dealt with at a marathon meeting. And each of these leaves something over for the final marathon, but how far are we still from that?

I agree with what has been pointed out here, that we still have 1982. I do want to stress that, leaving 1983 for the ratification procedures, we can still look on 1984 as a realistic date, provided the Member States make up their minds by autumn to wind things up by the end of the year. Of course, no one can say the negotiations are going to be easy, a mere formality that has to be endured by those who are applying and by those who have to look at their applications. The negotiations can fall through or get bogged down. The issue at the moment is to get them under way on the specific matters of the solutions to be agreed on and the transition period. It must not be forgotten, after all, that the sole topic of the negotiations is this transition period, because at the end of it the *acquis communautaire* will have been adopted in its entirety by the new Member States.

The start of this decisive stage in the negotiations is the response to the political commitment which was made four long years ago. Four years is a long time, and I might say too long. The Community knew, four years ago, that Europe was the symbol of democracy in Lisbon and Madrid. It knew that the opposition to the previous régimes had been based on the desire to bring each country back into the sphere of European democracy. And lastly the Community knew that, by virtue of the fact that the Member States represented the political, cultural and industrial model to be followed, the aim of the opposition forces was in fact to free their countries from the régimes which were incompatible with this model and hence with membership of the Community.

What stands in the way of their membership now, after four years? The list of the 20 headings is very long, and I could ponder over whether the delays are caused by this or that sensitive sector of agriculture or industry, or by fiscal matters, and so on. But this would be a pointless academic exercise for the simple reason — and I want to stress this fact — that proper negotiations have not in fact begun yet. The national authorities and the professional bodies showing the most concern, both in the Member States and in Spain and in Portugal, are tackling the problem of the negotiations in the same way as they would tackle any multilateral negotiations. And of course multilateral negotiations on an accession treaty do not crop up every day of the week. Only the Commission has been through this kind of thing twice before. The trouble is that if we take a simple *do ut des* bilateral approach to

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these negotiations, we shall lose sight of the overall benefits for both sides, for both participants in this process of integration, and above all we shall lose sight of the political commitment and undertaking from which these plans for integration stemmed.

Outside the Commission there are some people who look on the idea of the mandate as a definite ploy to hold up negotiations. You can understand, but not share, a feeling of fear and apprehension which is so strong that it brings on paralysis. The Commission's response to the mandate of 30 May concerns problems and questions which existed before the mandate, and this was pointed out here in particular in the speeches by Mr Lücker, Mr Galluzzi and Mrs von Alemann. I am talking about problems and questions which existed before the mandate, problems which were definitely not created by the accession of Greece and which will definitely not be the result of the accession of Spain and Portugal. What is more, the mandate forbids the Commission, for example, to change the principles of the common agricultural policy. Perhaps the idea is that the Commission should negotiate with Spain and Portugal something which is different from a closer alignment of farm prices. Or perhaps, Mr Israel, the idea is that in the wake of the mandate the Commission should propose, counter to the mandate, a reform of the CAP which does away with the idea of a common market or Community preference.

In the same way, the structural measures for reconversion and adaptation which are needed to reduce the gap between North and South — as Mr von der Vring pointed out — were something which was already needed before the negotiations began with Greece. What went by the name of the global Mediterranean approach and which led to the present series of agreements with non-Community countries in the Mediterranean represented a policy which had already stimulated in the Mediterranean regions of the Nine a strong call for a fairer balance, or what I might call fair amends. I am not going to stand here and go into the Mediterranean package of 1977 nor, Mrs Clwyd, am I going to talk about the pre-accession aid for Portugal in 1980. Can I just say to the chairman of the joint parliamentary committee that this aid has been held up by the demands of some Member States that certain sensitive sectors should be excluded from the pre-accession aid. Be that as it may, I believe that the first programme on small and medium-sized industries is scheduled to be approved before Christmas. The others can follow. The Commission pursued a line with which certain Member States did not agree. I should, however, like to stress the fact that in the Commission proposals, based on the mandate and especially on paragraph 30 of the report on the mandate, the prospects of the Community's Mediterranean regions — and these received special attention from Mr Sutra and Mr Papantoniou — were given thorough consideration, as regards both the structural and regional aspects and the specifically agricultural aspects of their economies. And if there are no great

details, it is because we intend to submit these programmes in 1982 after consulting the local authorities, who have a greater idea than anyone else about specific needs and requirements.

Finally, there is an obvious fact which needs repeating for the benefit of everyone, Mrs Poirier, who seems to be losing sleep over the future entry of Spain and Portugal in the Community. Every day there is a delay creates one more problem to cope with. Time is not on the side of the Community, and it is not on the side of Spain and Portugal either. When it is a question of joining the Community, time can only crystallize, define and multiply the problems which then have to be solved at the negotiation stage. When negotiations are not swift, neither side is prompted to speed up the processes of aligning prices, tariffs, fiscal systems and legislation. On the contrary, when negotiations are going slowly, every opportunity is ripe for consolidating advantages in the hope — which will then prove false — of trading them for other advantages.

I have no need to tell the European Parliament, Madam President, ladies and gentlemen, of the importance for everyone of us, for Europe and for the applicant states, of concluding the great achievement which this third enlargement of the Community will mark. Let us just remember that we are obliged to achieve this aim not simply because we are pledged to do so but also because there has been a joint decision on our part and on the part of the people of the applicant states, because it is a task which finishes — as Mr Ligios said — the work of reconstruction which began in the aftermath of war with the Treaties of Paris and Rome, because Spain and Portugal have found their way back into Europe, and finally because if Spain and Portugal fail to join we shall be betraying the very idea of Europe and democracy.

President. — The joint debate is closed.

(Parliament adopted Amendment No 1, seeking to replace the motions for resolutions by Mr Klepsch and others (Doc. 1-728/81) and Mr von der Vring and Mr Hänsch (Doc. 1-746/81) by a new text, and rejected the motion for a resolution by Mr de la Malène)

9. Multifibre Arrangement

President. — The next item is the motion for a resolution (Doc. 1-669/81), tabled by Mr Welsh on behalf of the Committee on External Economic Relations, on the present state of the negotiations of the renewal of the Multifibre Arrangement.

I call Mr Welsh.

Mr Welsh. — Madam President, it is my honour to present this motion for a resolution on behalf of the Committee on External Economic Relations. In doing so, your committee has adopted a position which is totally consistent with the Parliament's resolution of April of this year, when it laid down the main guidelines that it recommended to the other Institutions for the renegotiation of this important arrangement.

Our intervention at this point is intended, first, as a demonstration that Parliament intends to play its full part in the dialogue between the Institutions and, secondly, to make sure that Parliament's own opinion is on the record at this very critical time. It is not my purpose tonight to go into the detail of the resolution; I would merely emphasize that your committee expects to have a meeting with the President of the Council of Trade Ministers next week in Brussels, we shall closely cross-question him on the Council's performance and, if it seems appropriate to do so, we shall present another report to the Parliament.

The main point I wish to make is to contrast the performance of the Parliament in this matter with that of the Council. The Parliament's opinion was on record last April, at the start of the negotiations. After no less than five meetings of the Council, burning the midnight oil on Tuesday of this week, they actually reached a partial agreement on a part of the Commission's mandate. They have not yet addressed themselves to, nor reached any common ground on, the most essential areas of the multifibre renegotiations. This, Madam President, is because in the Council each member government represents a national interest and there is no room for compromise. And behind the governments of the Member States are the various pressure-groups, ranging from the representatives of the consumer to those of the manufacturers and unions, all of whom are behind and pushing their governments into adopting an attitude of non-compromise and no surrender.

It is because of this insistence on fighting one's corner and protecting the narrow points of one's national interest that the Council has been unable so far to come together with a mandate, and the result is that the multifibre negotiations are in severe danger of breaking down. Not only has the Community been out-maneuvred by its partners, and particularly the Americans, but we are now at the eleventh hour, the agreement has to be signed in December if it is going to be continued, and there is still no common Community position.

I would suggest to you, and I would suggest to the other people who are listening to this debate, that perhaps those pressure-groups and those special interests do not serve their members very well by insisting on a raft of unnegotiable and unagreeable demands — *ad ultra* rather than seeking a *via media*, a middle way which represents a general compromise.

We are so obsessed, Madam President, with our internal negotiations within the Community that we quite forget that this arrangement actually has to be signed in Geneva with other negotiating parties. What the Council has certainly done is that it has radically weakened the Commission's own negotiating position, because, of course, the supplying countries and the other partners know perfectly well that the Member States themselves are badly split on this issue.

The reason why we regard this motion as urgent and the reason why we are introducing it is that we believe it is important to call attention to the fact that we in this Parliament, as the representatives of the citizens of Europe, of the real people who are interested in these negotiations, want to see an agreement made, and we recognize that this agreement must involve an element of compromise. We were able to put our mandate together because in this House we operate on majority votes. That means that every interest, from the extreme protectionist to the extreme free-trader, has to admit a certain logic and interest in the other party's case, for otherwise there is no agreement at all.

I am proud to be a Member of this Parliament and the rapporteur on this particular subject, because I think it is an area in which the Parliament has outperformed the other Institutions with great credit; and I would say to the movers of various amendments tonight that they, too, should have a care to preserve our reputation in this case, because amendments which veer to one side or to the other, that push us off the central course that we have selected, are in fact putting us in the very same position as the Council. We are playing to the gallery back home in our own countries, back to our special sectoral interest; we are trying to prove our virility by saying that we are on their side; but we do not get a mandate and we do not get an agreement.

It is ridiculous to suggest, for instance, that the developing countries are getting a bad deal out of the multifibre negotiations. They are not. The reason why the developing countries have a 1.6% penetration of the Community markets is simply and solely that they are unable to take up the quotas which they had been allocated. I would say to the honourable gentleman whom I see jumping up there opposite that the only restriction on any Lomé country has been Mauritius, and that was in very special circumstances that have not been repeated since. We, in this committee, are doing our best to secure improved access for the developing countries by attempting to restrain the other, more developed, countries who are indeed flooding the market.

President. — I call the Socialist Group.

Mr Vernimmen. — (NL) Madam President, ladies and gentlemen, in this specific case, we must — and here I can, to some extent, echo what the previous

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speaker had to say — reject both a liberal and a protectionist approach. I believe that we must pursue a third course: one dictated by common sense, whereby we can protect jobs in the Community and at the same time offer genuine development opportunities to the real developing countries under acceptable social conditions. We must also put an end to the uncontrolled increase in imports of cheap textile products which are often produced with the aid of western capital in countries where child work is endemic, where minimum social norms and trade union rights are ignored and where the all-powerful force behind a particular production pattern is maximum profit over the short term. We expect the European Community to base its negotiations on a new multifibre arrangement on the need to protect jobs within the Community and on genuine development opportunities — both quantitative and qualitative — for the real developing countries . . .

President. — Your speaking time is up, Mr Vernimmen. I now call the Group of the European People's Party (Christian-Democratic Group).

Mr Van Aerssen. — (DE) Madam President, ladies and gentlemen, the real political factor here is that the Council has so far failed to hit on a strategy for concluding the world textile agreement although we are now going into the decisive negotiations. The European Parliament set out its position clearly and precisely in April 1981, showing at the same time how to find a way out of the difficulties between the Scylla of avoiding protectionism and the Charybdis of giving our industry a chance to complete its structural reorganization.

Despite the fact that the European Community is the world's major textile importer and exporter, the Council has so far failed to reach a clear decision, which should take account of the following facts. Firstly, the European Community has a vested interest in textile exports; after all, we are an exporter as well as an importer; secondly, the European textile trade occupies a strong position in the world economy; thirdly, we want to support consumers; fourthly and finally, we must give evidence of, and adopt, an open attitude *vis-à-vis* the developing countries.

The European Parliament has said how long it thinks the textile agreement should be concluded for; we have said how evasion and abuse of this agreement should be prevented; and we have said how we should treat the newly industrialized countries, the threshold countries and the state-trading countries. We have said what we think about the further development of relations with the developing countries, and we have also given clear details of what we think the growth rates should be.

This thought-provoking attitude on the part of the European Parliament contrasts with the weak attitude

adopted by the Council. We want to help the poorer developing countries and to make it possible for them to grow more quickly than the industrialized countries and the threshold countries. We are determined to resist the introduction of a cutback, which — as certain countries are calling for in the Council — would amount to reverting to the actual level of deliveries in 1980. We want to keep the whole process open. We are also against allowing the world textile agreement to expire without finding any replacement. There is no alternative to this agreement, and we want to see approval and confirmation given to the Commission's strategy of supplementing the multilateral process and the multilateral approach by bilateral negotiations.

Madam President, it is an absolute scandal that the Council has so far failed to act on the European Parliament's proposals of April 1981.

President. — I call the European Democratic Group.

Mr Kellett-Bowman. — Madam President, enlargement is important; important enough for a proper agenda time; too important to be used to squeeze out a debate some people do not want. It was a squalid manoeuvre.

Under Rule 56 I now give notice that the agenda for the December part-session should allow three hours for urgent debates. Please minute this request so that in that way it will be received in writing at least one hour before the sitting.

Turning to the debate, Madam President, coming, as I do, from a country which has lost 30 000 textile jobs a year since 1950, I welcome the news that the third MFA will operate from the new year. Coming, as I do, from East Lancashire, the birthplace of the industrial revolution, I urge those manufacturers who have managed to stay in business to take heart. There is promise of a recession clause which should give some shelter during difficult times. There is further promise of a surge clause to ease sudden market fluctuations. We need information, Madam President, about these two clauses and the policing of the new MFA. We also look to the MFA to globalize textile controls by linking the MFA with the GSP.

The Council and the Commission must ensure that the MFA will not stand alone if the beleaguered textile sector faces further threat. We must also not forget that the former textile areas throughout Europe still help in getting into new industries. The new MFA will be a welcome breathing-space for textiles. What can now be done for the footwear industry? I suggest that likeminded members of all groups meet together and keep a careful watch over the textile and footwear sectors.

President. — I call the Communist and Allies group.

Mr Bonaccini. — *(IT)* Madam President, in its written reply to my oral question, the Commission stated two days ago that it had no authorization to plan the future of the textile sector. It maintained, however, that this could be achieved through a constructive approach to the problem at Community level. Well, I, for my part, reiterate Mr Kellett-Bowman's proposal for full discussions on the matter which might finally give reassurance to the hundreds of thousands of workers concerned and their firms. There is all the more reason for this in that the Council of Ministers — and I think I am right in saying this — has already made its own decision on the matter.

It is all very well expressing our regrets about the situation but, in future, we should think about paying greater attention to the development of the situation rather than contenting ourselves with emergency action.

President. — I call the Liberal and Democratic Group.

Mrs Tove Nielsen. — *(DA)* Madam President, I should like to begin by saying that we in the Liberal and Democratic Group are absolutely in favour of the re-introduction of free trade in the textiles and clothing industry. That was why the decision of 7 April this year on a new multifibre arrangement included, at the request of the Liberals, a passage which said that we should call for the re-introduction of free trade in this sector by the beginning of the 1990s.

Having said that, I should also like to point out that we fully realize that we bear a heavy responsibility for the European Community's own textiles and clothing industry, especially at a time of ominously high unemployment, when there is intense pressure in the form of competition from third countries. We have no wish to weaken the developing countries and the newly industrialized countries — on the contrary. But it is essential to view the whole problem from a global standpoint, including of course both Japan and the USA, two countries we must strongly urge to adopt a more united approach with regard to importing more from low-price countries, wherever they may be. It is also essential for these two countries to show a willingness to take a more reasonable proportion of the developing countries' textile products. I am not suggesting that we either can or should guarantee our own internal market a permanent level of protection from outside competition, but what we must do is to use the renewal of the Multifibre Arrangement we are talking about here today to create the time and opportunity we need to carry out the necessary restructuring. I realize that this will be a difficult process, but it is not an impossible one. The important thing is that

the necessary will should be there. We must take a look at the possibility of training and retraining, and above all we must embrace the new technology and take up these challenges so as to create new jobs with genuine prospects for the future. That is the objection to a system of free trade in which supply and demand are in reasonable balance. We know, though, that, for a lot of developing countries which are in the throes of industrialization, textile production is an essential economic factor, and we must take care that our own arrangements do no harm to this. However, it is in everyone's interests that we should try to get the newly industrialized countries to invest to only a limited extent — as limited an extent as possible — in industries in which, at world level, there is already sufficient capacity to meet demand. It would be a waste of resources if we used too much money in this sector, because otherwise we should have to introduce additional quotas.

Madam President, I should like to conclude by saying that we cannot simply let things drift, either as regards the developing countries or the newly industrialized countries or our own Member States. For that reason, we in the Liberal and Democratic Group will be supporting this proposal.

President. — I call the Group of European Progressive Democrats.

Mrs Ewing. — Madam President, I wonder if you could tell me when my time is up — I think it is three minutes — so that I do not overstay it.

Against the sad background that many speakers have alluded to of 115 000 jobs lost in the EEC between 1973 and 1980, nevertheless there are still 2.4 million people employed in this vital industry, one of the most important industries in Europe and one of the large manufacturing sectors. Against the sadness, therefore, there is the knowledge that this industry has shown increased productivity, has had good industrial relations and has been able to increase its exports. So it deserves good consideration at this crucial time in the talks.

My view is that the EEC's aim should be a broad, unified domestic market able to compete in the world, but that this has been hampered by state aids which are distorting competition. While I can't in the time available go into all these state aids, they are well known and well set out and often referred to and involve quite a lot of countries. It is very understandable that a country should resort to state aids in such a crisis, because we know that the jobs are often situated in locations where there is no other kind of employment. That is certainly the case in my country of Scotland, where this is also a very important industry. We have lost 16 000 jobs in the last 15 months, so we are part of the pattern of distress.

Ewing

Turning to the Third World, I applaud the situation which we find ourselves in, where we are seeking to open our markets to our developing partners. It must be emphasized in this House over and over again that the United States of America is not acting a good Samaritan part, it is not even acting a good neighbour's part. The tariffs it is setting up against the Third World and the small quota of goods it is taking from the Third World really quite disgraceful and despicable, and this should be said. The same is true for Japan, of all places. While it is true that in Europe we are trying to do the best we can, it really is too bad that more pressure cannot be put on these other well-developed countries, who are not pulling their weight. I think that we should put some pressure on the United States. Let me just give one example: the tariff on wool is 28% higher on average than the EEC tariff. Now that is really disgraceful! It is causing grave problems for Scotland, where we have a great wool industry.

I therefore support the Welsh report and ask that in the summation we get some views on the distortion of national aids.

President. — I call Mr Seal.

Mr Seal. — Madam President, there have been many problems, as we know, with the Council in reaching an agreement on the mandate for the Multifibre Agreement; but it is to be hoped that they have now reached some kind of agreement, particularly on growth-rates in the EEC and perhaps on outward processing.

My colleague Mr Enright talks about India: perhaps he should look at the commercial cooperation agreement which has now just been concluded with India.

Let us hope that the Geneva conference can now carry on and is not going to get stuck on just the preliminaries.

Mr Welsh talked about national interests: I think he really should be thinking about EEC interests — and that's rather strange, coming from me to Mr Welsh, but perhaps he could accept that. But he can't play it both ways. He can't say that we should have an MFA and we shouldn't be protectionist, because the Multifibre Agreement *is* protectionist and all of us in this Chamber must accept that. It is protectionist, whether we like it or not.

Now, let's look at some of the details. The clothing industry, for instance, particularly in the United Kingdom, has outperformed the rest of manufacturing industry in productivity terms, and there has been tremendous investment in the clothing industry. There have been modest wage increases in the clothing industry. The workforce have been adaptable to

change in the clothing industry and still they have lost jobs and still they have had problems. In the last two years, in the United Kingdom alone, 60 000 jobs have been lost in the clothing industry. Let me tell you that in the United Kingdom one in every two workers in the clothing industry is either facing redundancy or on shorttime working. What are we going to do to protect those workers in our countries, because it is not just the United Kingdom it faces but the whole of the EEC?

However we look at textiles, however the Commission wants to write off textiles as a low-added-value industry, we have got to remember that it is still a major employer, particularly of women and young people — people we are supposed to be interested in in this Parliament. All of these people have been affected by low-cost imports: no one could deny that and the Multifibre Arrangement must do something about in.

Now, the Commission's policy so far on the Multifibre Agreement, or Arrangement, has been almost non-existent. The Commission have been wishy-washy; they have done absolutely nothing on it; we have had basket extractor mechanisms, trigger-mechanisms and now we have the anti-surge mechanism. All of them have been inadequate. If we are going to have any kind of arrangements, the Commission must ensure that they work effectively. Let me finish by saying, Madam President, that we have got to have some kind of . . .

(The President urged the speaker to conclude)

Let me say that I support the resolution — believe it or not — of Mr Welsh, but I must say that the Commission must be firm when it comes to the negotiations for the Multifibre Agreement. They must be firm because they must respect the workers in the textile industry in Europe.

President. — I call Sir John Stewart-Clark.

Sir John Stewart-Clark. — Madam President, of course we are all deeply concerned that unemployment is nine million in the Community. We know that 10% of all employees are to be found in the textiles. We are concerned that production in textiles has fallen by 7% since 1973 and jobs have fallen by 20%. But this is no reason for prevarication and irresolution on the part of the Council. What we want to see is an act of unified will. We must remember our duties to the poorer countries of the Third World. We must encourage the industries of these countries. If there is no growth from the Third World, we shall see a further slide into the Community come from Hong Kong, Taiwan and Korea. This is where there must be restraint and tightening of quotas. This is where a decision needs to be taken. We also have to see, as has

Stewart-Clark

been said before, increasing pressure upon the United States and the Japanese to improve their conscience and increase their help to the Third World for the import of textiles. I support the resolution.

President. — I call Mr Deleau.

Mr Deleau. — (*FR*) Madam President, ladies and gentlemen, the renewal of the Multifibre Arrangement — and under what conditions? — that is what we are debating this evening. The question is a vital one. At stake is the fate of the textile industry, which will be forced to disappear if a more effective trade policy better suited to the current crisis is not implemented after the renegotiation of the Multifibre Arrangement.

What does the situation look like? Loss of jobs: since 1973 one textile worker out of four has lost his job. Decline in production at all stages of processing. Stagnating consumption. Balance of trade deficit. Low investment. Insufficient control of imports. These are the facts, and on top of this you have the serious results of imbalances in regions where, because of persistent economic difficulties, jobs lost in the textile industry cannot be offset by growth in alternative sectors. In these circumstances it is obvious that the Council should no longer be engaging in scholastic debates on the free trade or protectionism to be adopted when renewing the Multifibre Arrangement, of which we are the sad witnesses. Today the Community must ask itself the basic political question: do we wish to save the textile industry or do we agree to sacrifice it? And if we want a viable textile and clothing industry while retaining the full textile range — an objective which Mr Davignon, Vice-president of the Commission, has outlined on numerous occasions — then we must define clearly the means of doing so. Primarily, what is needed is the strengthening of trade policy mechanism. We consider it of prime importance that the Community help its industry to withstand the pressure of low-cost imports. Indeed, apart from establishing the system of an internal global ceiling for the ultra-sensitive products of group I which cannot be violated, the Community has not succeeded in adequately controlling the flow of low-cost imports.

That is why we propose, firstly, that quota levels from 1982 be established not on the basis of the quota of the previous year, but on the basis of actual imports the previous year, combined with a rate of increase based on the rate of increase of consumption in the Community. This implies revising the very concept of the quota. Up to now, the quota has been a quantitative level of access to the Community market granted to the exporting countries, almost always higher than the actual volume of exports and retained when it is revised upwards annually according to a pre-established theoretical rate of growth. This practice results in a *de facto* consolidation by the Community of the exports capacities of third countries and explains the

rapid growth in imports of certain products which is damaging to its own industry.

Secondly, we propose that the 'basket extractor mechanism' be stepped up for textiles subject to a quota, by putting the emphasis on Community measures. Furthermore we demand that the Community have the possibility of enlarging the list of ultra-sensitive products defined by the Council in 1977, since a product can become very sensitive during a year depending on the trade pattern.

Finally we would ask the Community to reconsider the price clause in bilateral agreements with State-trading countries, a clause which is at present proving inapplicable.

Ladies and gentlemen, I have outlined briefly the provisions which we consider it indispensable to include in the textile policy of the future, while recognizing readily that any system of protection is only temporary, limited and of itself inadequate, if it is not backed up by a common industrial strategy which, by relaunching investment, would restore the dynamism and competitiveness of the textile industry.

President. — I call Mr Lezzi

Mr Lezzi. — (*IT*) Madam President, the Committee on Development considers that we should be seriously mistaken if we were to lay sole blame on the volume of imports from developing countries for the difficulties being experienced by the textile sector. In fact, import quotas from ACP countries are ridiculously low.

As was pointed out some time ago, the sharp rise in the production and export of textiles from developing countries witnessed during the last decade may be attributed to the staggering rate of industrialization in this sector of certain countries in South East Asia brought about by foreign investment — American, Japanese, but also European. This was facilitated by a most extensive and uncontrolled freedom to invest, repatriation of the profits, and the strict legislation governing the workforce and its organizations.

The Committee on Development considers that the absence of a global industrial policy may be singled out as the main cause of the crisis in the sector. There is, therefore, a need for the restructuring of the textile industry if a solution is to be found to its problems.

The renewal of the Multifibre Arrangement should guarantee both the existence of a textile industry which is vital to the Community, and, at the same time, access to our markets of textiles from the less advanced developing countries. Given that actual access to our markets is not enough to guarantee the development of the emerging nations, the conditions necessary for industrial development must be created to enable them to gain access to European markets in particular.

Lezzi

With this in mind, the Committee, in its tabling of amendment No 3, requests the Council of Ministers to initiate as soon as possible negotiations with its ACP/EEC partners on the renewal of the Multifibre Arrangement.

The Committee on Development wishes to deviate from the position indicated in paragraph 3 of the motion for a resolution because it is of the opinion that, objectively speaking, the desired 'concertation' between the EEC and other importing countries is aimed at restricting imports from less developed countries.

Finally, our Committee, in its tabling of amendment No 5, support the need for rules governing imports from these countries which are having adverse effects on the EEC market.

President. — I call Mr Fuchs.

Mr Fuchs. — (FR) Madam President, to speak of the textile industry presupposes, for Socialists, that two basic hopes are taken into account: the hope for security of employment in Europe and the hope for development in the Third World.

We hope for security of employment because we are facing unacceptable situations where, from one day to the next towns or entire regions are struck by tens or hundreds or redundancies when there is no other possibility of employment. Where my country is concerned, for example, an increase of 1% in the rate of penetration by textile imports means the loss of 10 000 jobs, and so a first requirement is that the renegotiation of the Multifibre Arrangement should limit the growth, not of theoretical imports, but of real imports of sensitive products.

The second hope: the development of the Third World, because, as we know, the textile industry is very often a basic factor in this development. But in this respect we should not allow ourselves to be taken advantage of. The limitation of imports from the United States or Eastern Europe has nothing to do with development problems and, as regards the Third World itself, there is no reason for us to treat the less advanced countries or the African, Caribbean and Pacific States on the same footing as a certain number of South-East Asian States, headquarters of multinationals and with a *pro capita* income already ten or twenty times that of the former countries. A second requirement is therefore the renegotiation of the Multifibre Arrangement to enable a more precise differentiation between countries to the advantage, in particular, of the less advanced countries and the ACP States.

Madam President, between free-for-all liberalism and equally unsuited retrograde protectionism, the renegotiation

of the Multifibre Arrangement provides us with an opportunity to resolve real contradictions through dialogue, to the benefit of workers in all countries. It would be disastrous if the Community, through lack of agreement, was not in a position to seize the opportunity for dialogue which it will soon be offered.

President. — I call the Commission.

Mr Contogeorgis, Member of the Commission. — (GR) Madam President, the Commission welcomes the motion for a resolution tabled by the Commission on External Economic Relations and is particularly pleased both at the interest shown by Parliament in the renewal of the Multifibre Arrangement and the support given by the great majority of Parliament to the Commission's proposals.

The Commission fully shares Parliament's view that Community policy in the textile and clothing sector must form a uniform and coherent whole. The Multifibre Arrangement is an essential element of this policy. But we must say that neither the renewal of the Multifibre Arrangement nor the renewal of the bilateral agreements concluded in this context are enough to guarantee the prosperity of the Community's textile and clothing industry. What is needed at the same time is a persistent effort to improve the competitiveness of that sector.

The motion for a resolution rightly refers to the Commission's other proposals for the textile sector. The Commission hopes that the Council, at its meeting on 7 and 8 December, will adopt a proposal on imports from countries with preferential agreements and a proposal on the outward processing trade, which actually concerns mainly clothing manufactured outside the Community from Community textiles. I shall not comment on each paragraph of the motion individually since, as I said, the Commission is in full agreement with its general content.

The only minor reservation we have concerns paragraph 5, which provides for universal global ceilings. The Commission fully shares Parliament's view that there must be overall action to deal with imports from low-cost countries, but the Community cannot ignore the fact that the available measures for achieving this general aim vary according to the kind of supplying country — whether it is one of the countries covered by the Multifibre Arrangement, countries with preferential agreements or the ACP countries, and also according to the type of trade — whether, for example, it concerns normal imports or imports by Community industry of products manufactured from Community textiles. It is impossible to ignore these legal and economic differences. However, this is a basically technical point, and I would not want to give the impression that the Commission disagrees with Parliament on this actual policy.

Contogeorgis

In conclusion, Madam President, I should like to assure the House that the Commission will keep Parliament regularly informed of the progress of the Geneva negotiations. The Commission and the Committee on External Economic Relations have always cooperated in this field, and I hope that this cooperation will continue to be fruitful.

President. — The debate is closed.

I apologize to Members for being so strict on speaking time but some of you pointed out that in accordance with the Rules of Procedure we should not be able to

take the vote unless we considered the motion before midnight. I shall ask the Committee on the Rules of Procedure and Petitions for a ruling on what to do when the debate has been closed but the vote has not been taken by midnight.

(Parliament adopted the resolution)

(The sitting was closed at 12 midnight)¹

¹ *Agenda for next sitting: see Minutes.*

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IN THE CHAIR: MR DANKERT

Vice-President

(The sitting opened at 9 a.m.)¹

1. *Votes*

President. — The next item on the agenda comprises the votes on those motions for resolutions on which the debate is closed.

We begin with the Johnson report on pollution of the Rhine (Doc. 1-686/81).

(. . .)²

I call Mr Wurtz for an explanation of vote.

Mr Wurtz. — *(FR)* Mr President, the French members of the Communist and Allies Group find it normal and healthy for the European Assembly to

concern itself with the protection of the environment on our continent, and they hope that a fair solution will be found to the problem of the pollution of the Rhine, including the matter of saline waste.

We cannot, however, accept the repeated use of this issue as a pretext for challenging the activities of the potash mines in Alsace and for threatening the 6 000 jobs they provide. Accusations should be addressed not to the potash mines, but rather to the European salt cartel, because the French national undertaking is obliged to dispose of its by-products under pressure exerted by the cartel for sordid reasons of competition.

And what are these by-products? Look at this piece of rock:¹ besides potash, it contains sodium chloride, that is, sodium and chlorine. This is what the European salt cartel has for decades forced our mines to dispose of as a mere waste product, although this material is in fact a practically free source of supply for the chemical industry and the plastics industry.

This is the hub of the problem, and this is the point of the amendment I had tabled. I very much regret that the Assembly has not even troubled to discuss this amendment or to vote upon it.

Under these conditions, the matter is simple for us Communists. We will continue to act as advocates for the miners of Alsace in the face of pressures exerted by the European salt cartel. This is why we shall vote against the proposal presented to us.

(Parliament adopted the resolution)

¹ For items concerning Approval of the minutes, Documents received, Membership of committees, Membership of Parliament, Petitions, Application of the Rules of Procedure, Withdrawal of a motion for a resolution, Motions for resolutions tabled under Rule 49, and Procedure without report, see the Minutes of proceedings of this sitting.

² The Report of Proceedings reproduces only those stages in the voting which gave rise to speeches from the floor. For details of the voting, the reader is referred to the Minutes.
The texts of amendments may be obtained from the Report of Proceedings Division.

¹ The speaker held up a specimen of mineral.

President. — We proceed to the Alber report on the state of the Community environment (Doc. 1-276/81).

(...)

Paragraph 6 (b): Amendment No 14

Mr Alber, rapporteur. — (DE) Amendments Nos 14 and 15 belong together. I am opposed to both, because they would involve too much interference in the Commission's programme of activities.

(...)

After paragraph 6: Amendment No 13

Mr Alber, rapporteur. — (DE) I am opposed to this amendment. The idea is good, but it needs looking at more closely.

(...)

Paragraph 15: Amendment No 3

Mr Alber, rapporteur. — (DE) I am personally in favour, but as rapporteur I am bound to oppose this amendment, because the committee decided otherwise.

(...)

Paragraph 16: Amendment No 17 (after its adoption)

President. — I call Mrs Squarcialupi on a point of order.

Mrs Squarcialupi. — (IT) Mr President, I ask that before allowing the voting to proceed on the individual amendments, you make it clear which numbers correspond to them, in order to avoid confusion.

President. — Thank you, Madam. I have done so practically every time, but I admit to having forgotten for the moment. Please excuse me.

(...)

Paragraph 72: Amendment No 6

Mr Alber, rapporteur. — (DE) I am against this amendment, because the committee so decided.

(...)

After paragraph 103: Amendment No 24

Mr Alber, rapporteur. — (DE) I am opposed. This amendment has already been rejected in committee.¹

President. — I call Mrs Poirier for an explanation of vote.

Mrs Poirier. — (FR) My explanation will cover the three reports that were taken together in the debate.

We feel that the Bonn and Washington agreements, and also the environmental programmes, contain valuable suggestions, but we cannot vote for the resolutions that have been presented, nor for many of the amendments, which only serve to make them worse. The Commission, supported by the resolutions, has said that it wants to sign the Bonn agreement so that the States will no longer have competence concerning the preservation of migratory species, and so that they may be obliged to take legislative measures on hunting and on the environment. There is even a plan to harmonize penal provisions concerning the Washington agreement. This is absolutely intolerable, particularly as according to the Treaties the Community has no competence. The diverging views existing within the Council make this quite evident.

As for the amendments, one in particular has attracted our attention, the one which calls for the harmonization of hunting legislation. This notion is absurd, and it cannot succeed, for millions of hunters will never accept it. You believe you can harmonize practices which, at present, are considered as privileges in Germany, Belgium and Luxembourg, while in France and Italy, for example, they are part of a body of popular and traditional rights of widely differing natures.

In view of all these observations, the French members of the Communist and Allies Group cannot vote in favour of the motion.

President. — I call Mr Johnson on a point of order.

Mr Johnson. — I wanted to say that Mrs Poirier made exactly the same speech in the debate last night. I don't think it is fair to repeat, as an explanation of vote, a speech which one has already made the evening before.

President. — I think your remark is fair, but I can do little about it.

¹ In addition, the rapporteur spoke *in favour* of Amendments Nos 1, 10, 11, 12, 18, 19, 22 and 23, and *against* Amendments Nos 2, 4, 5, 7, 8, 9, 16, 17, 20 and 21.

(Parliament adopted the resolution)

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* *

President. — We proceed to the Verroken report on the conservation of migratory species of wild animals (Doc. 1-243/81).

(...)

After approval of the proposal for a decision (Doc. 1-160/80)

Mr Muntingh. — (NL) I do not understand the procedure. Can you explain why the Commission's proposal must be put to the vote first when the Committee on the Environment has just delivered an opinion on it that contains numerous amendments. I do not understand. What kind of procedure is this?

President. — Mr Muntingh, what I do know is that no amendments have been tabled to the Commission proposal, that the amendments relate to the motion for a resolution and that the procedure I have followed is the right one.

Mr Muntingh. — (NL) All right, Mr President, my group and I did not understand that. Perhaps I might ask you to take the vote again.

President. — I do not think it would be right to take the vote again. The Commission proposal has been adopted, and even if the Socialist Group had voted otherwise, this would not have changed the situation.

I call Mr Arndt.

Mr Arndt. — (DE) Mr President, the Commission's proposal is not amended in the amendments but in the report. If we vote on the report now after approving the Commission's proposal as it stands — that is to say, not in the amended form shown in the report — I wonder how we are to resolve this dilemma.

President. — Your remark is justified, but this is the procedure adopted by the Committee on the Environment, Public Health and Consumer Protection. I have no alternative but to proceed on the basis of the proposals tabled by the competent committee.

I call Mr Collins.

Mr Collins, Chairman of the Committee on the Environment, Public Health and Consumer Protection. —

Mr President, it is not really a question of having made mistakes or anything of that kind. The fact of the matter is that as a consequence of a decision earlier to vote on the Commission's proposals followed by the motion for a resolution and so on, we now have a presentation to the Parliament of the amendments from the committee to the original Commission proposals. To put it frankly, Mr President, although it appears that it makes some sense, in fact the presentation is thoroughly confusing, and I am not alone in thinking that. I have had representations made to me from all sides of the committee, from highly responsible individuals who have held ministerial office in their own countries.

The fact of the matter is this is a very confusing procedure indeed. Until we get back to making it clear what exactly we are voting on, then not only will the Members of Parliament be confused, but the people up in the public gallery, who, after all, are our ultimate paymasters and to whom we are ultimately responsible, will not have the foggiest notion about what we are really doing. Although we cannot change things today, I would like to see somebody in the Parliament — perhaps the Bureau is the appropriate organization — giving some thought to how we can clarify the procedure and reconcile the presentation with the quite correct decision which was made earlier. I do not like this procedure. I think we have made a mess of it just now, and it is certainly not the committee's fault, because we did not present it this way.

President. — Mr Collins, you are certainly right that it is difficult in such a situation to reach an acceptable procedure; but I have to vote according to the established procedure, and that is Rule 32 (4), which says:

The Parliament shall first vote on the amendments to the proposals, with which the report of the appropriate committee is concerned; then on the proposal, amended or otherwise; then on the motion for a resolution contained in the report, and any amendments tabled to it.

I think the Committee on the Rules of Procedure and Petitions should look into the problem.

I call Mr von der Vring.

Mr von der Vring. — (DE) Mr President, your interpretation is quite right. Nowhere in the Rules of Procedure does it say that Parliament must vote in a sensible way. But one thing is quite certain: if Parliament takes different votes on the same subject, the last vote will always be the valid one and the one that is binding on Parliament.

President. — We shall now proceed with the voting, and I hope that the House will maintain a consistent attitude: then the difficulty will be solved.

Motion for a resolution

(...)

Paragraph 2: Amendment No 12

Mr Verroken, rapporteur. — (NL) This amendment really concerns the central issue, this being that the Community should accede to the Bonn Convention as quickly as possible and without reservation.

I am opposed to this amendment.

(...)

Paragraph 3: Amendment No 4

Mr Verrokken, rapporteur. — (NL) I am afraid there has been a misunderstanding here. This paragraph is intended to mean that the only exception that can be made is in the case of Greenland, by analogy with the previous directive.

I am opposed to this amendment.

Paragraph 8: Amendment No 14

Mr Verrokken, rapporteur. — (NL) Mr President, this was a controversial point. In committee it was adopted by 8 votes to 7, with 2 abstentions. I am therefore opposed to the deletion.¹

(...)

President. — I call Mr Muntingh for an explanation of vote.

Mr Muntingh. — (NL) Mr President, when Mrs Poirier's Amendment No 14 was adopted, there was applause from the Communist benches. That is quite logical since the Communists are probably trying to win votes by coming out in favour of hunting in Europe. Paragraph 8, which has now been deleted, merely reiterated the opinion long held by Parliament that the Commission should put forward a proposal for a directive concerning the protection of all vertebrates by 1983, on the model of the directive on the protection of birds. This is the official view of Parliament.

Parliament has now said that it does not wish to reaffirm this view. This means there will be some joy

¹ The rapporteur also spoke *in favour* of Amendments Nos 1, 2, 3, 6 and 15, and *against* Amendments Nos 5, 7, 8, 9, 10, 11, 13 and 16.

among Europe's hunters. They now have a better chance — not much better, I feel, but better all the same — of being allowed to go on banging away in the future. I must therefore say, Mr President, that I feel Parliament has taken an extremely unwise decision. I still believe that Mrs Poirier's amendment should not have been adopted, but despite this blemish I shall vote for Mr Verroken's report and resolution.

(Parliament adopted the resolution)

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President. — We proceed to the Muntingh report on international trade in endangered species of wild fauna and flora (Doc. 1-579/81).

(...)

Annex A: Amendment No 4

Mr Muntingh, rapporteur. — (NL) Mr President, Mr Combe discussed this amendment at length during his statement yesterday. He called it a compromise amendment. The Committee on the Environment voted against it at its meeting. I myself feel that, if this amendment is adopted, the whole point of the Washington Convention will be destroyed. I am therefore opposed to this amendment.

(...)

President. — I call Mr Collins.

Mr Collins, Chairman of the Committee on the Environment, Public Health and Consumer Protection. — I would like at this stage to ask the Commission what their view is of Parliament's decision so far and the extent to which they are intending to adopt Parliament's view. Can we have a statement, please?

President. — I call the Commission.

Mr Giolitti, Member of the Commission. — (IT) Mr President, the Commission's position in this matter is in complete agreement with that of Parliament. I remind you that, in regard to Amendment No 1, my colleague Mr Narjes has explicitly stated our support in the course of the debate.

President. — I think that for Mr Collins that must be enough not to hold up the voting any further.

I call Mr Muntingh.

Mr Muntingh, rapporteur. — (NL) Mr President, the situation is, of course, quite clear. There is just one thing to be said to the Commission. It has agreed to comply with one of the most important requests made by Parliament but has shamefully ignored the rest. However, as this is an urgent matter and as we have urged the Council to release the Washington Convention for ratification on 4 December, I feel we must carry on now.

President. — I call Mr Johnson.

Mr Johnson. — The Commissioner's answer, in my submission, was totally unsatisfactory, Mr President. I think it is a matter of interest to this House.

Because we are in a new procedural situation, because this is the first time the amendments have been presented in this form, i.e. the amendments to the Commission's text as the first part of the report, let it be known in the future, let the Commission clearly understand in the future, that when we have finished voting on their text they must come to us and say, amendment by amendment, whether they accept or reject them, so that we have a clear view of what the Commission's position is before we proceed to a vote on our resolution.

(Applause from certain quarters)

President. — I call Mr Collins.

Mr Collins, Chairman of the Committee on the Environment, Public Health and Consumer Protection. — Mr President, I did actually have my hand up earlier on. I would like simply to make the comment that when the Commission rises in Parliament and says that they will take our review into account, it is slightly less than clear just exactly what is meant by that. Given this procedure, confusing though it may be — and I am interested to hear Mr Johnson now admit that it is actually confusing — we need to have more than a bland assurance from the Commission that they will take it into account. We want to know whether they are going to adopt it or not. That is what counts, because otherwise the Parliament's opinion need not count for very much.

President. — Mr Collins, if, in your opinion, the answer of the Commission is unsatisfactory, you can, as committee chairman or as rapporteur, propose that the vote on the motion for a resolution be postponed until the Commission has stated its position. I don't want to provoke you on that point, but if you are dissatisfied you have to do it.

Mr Collins, Chairman of the Committee on the Environment, Public Health and Consumer Protection. —

Mr President, I am very well aware of what my rights are, but I thank you for reminding me of them none the less. The fact that I did not actually say that I wanted the vote postponed indicated, I think, my view of the position. I merely issue a warning none the less on future procedures.

President. — I call Mr Kellett-Bowman.

Mr Kellett-Bowman. — Two points of order, Mr President, if I may. One is that your enchanting facility of switching from language to language actually delays the interpretation, and when you moved as quickly as you did towards that vote we were still having earlier explanations interpreted, so that we failed to get it and it looked as if we were asking for points of order in the middle of a vote.

The second point of order is that democracy would be better served if the President would write to the President of the Commission and explain our new Rules of Procedure and also write to the group chairmen and ask them to educate their members in this Parliament. Democracy would then do a lot better.

President. — Well, Mr Kellett-Bowman, as far as the Rules are concerned, I think they are decided by the whole House and I would not enter into a discussion on that. It is certainly possible, but the procedure is relatively new and the Commission also has to improve its participation in the procedure.

I call Mr Muntingh.

Mr Muntingh, rapporteur. — (NL) Mr President, as rapporteur I should like to say a final word on this matter. Although Mr Johnson is right, as are the Conservatives and the chairman of the Committee on the Environment, I feel that, while this certainly does not help democracy, it will, of course, help environmental protection if the vote results in the adoption of this matter. I therefore appeal to everyone to vote for this motion.

(...)

President. — I call Mr Combe for an explanation of vote.

Mr Combe. — (FR) Mr President, contrary to my previous wishes, I shall abstain, for the good reason that the rapporteur has misinformed the Assembly concerning Amendment No 4. The amendment he has presented was in fact completely different from the one the committee eventually voted upon. This is why I must abstain, although I much regret having to do so.

(Parliament adopted the resolution)

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President. — We proceed to the Cohen report on the GSP for 1982-1985 (Doc. 1-641/81).

(...)

Motion for a resolution

Paragraph 2: Amendment No 3

Mr Cohen, rapporteur. — (NL) Mr President, I believe a slight mistake has crept into Mr Jackson's amendment. He says: 'Regrets that the system for GSP has not so far fulfilled its objectives.' I do not think that is exactly what he meant. Mr Jackson is an intelligent man, and I believe what he meant to say was: 'Regrets that the system of generalized preferences has not so far completely fulfilled its objectives.' The word 'completely' has been omitted. If Mr Jackson is prepared to insert the word 'completely' in his text, I can agree to the amendment.

President. — I have to assume, Mr Cohen, that the wording tabled by Mr Jackson, '... has not so far fulfilled its objectives', has been correctly translated into Dutch. It is difficult for us to accept oral amendments, because we then lose the thread. I shall now simply put to the vote the text that has been tabled, of which the Dutch and English versions show no discrepancies.

I understand that you are against the wording now before us.

Mr Cohen, rapporteur. — (NL) Yes, Mr President, but I wanted to give Mr Jackson a chance. I am opposed to this amendment.

(...)

After paragraph 9: Amendment No 4

Mr Cohen, rapporteur. — (NL) Against, Mr President. This was dealt with in committee, and there the amendment was rejected.

(...)

After paragraph 16: Amendment No 5

Mr Cohen, rapporteur. — (NL) I would ask you, Mr President, to put 16 a and 16 b to the vote separately. I am in favour of 16 a and opposed to 16 b.¹

(...)

(Parliament adopted the resolution)

2. Visit by a delegation of Parliament to Cambodia

President. — The next item is the report by Mr Cohen, on behalf of the Committee on Development and Cooperation, on the results of a visit by a delegation from the European Parliament to Cambodia (Doc. 1-639/81).

I call the rapporteur.

Mr Cohen, rapporteur. — (NL) Mr President, in January 1980 this Parliament adopted a resolution which stated that a delegation from this Parliament should go to Cambodia, for humanitarian purposes, to see for itself the situation in that country, with particular reference to food supplies. It took more than a year before the delegation was able to depart. Parliament is not to blame for this: Cambodia is, of course, a somewhat strange country. Geographically it exists; politically the situation is rather more difficult. We do not have any diplomatic relations with this country. Nor was it all that easy to obtain visas to enter Cambodia.

The journey itself also presented various difficulties. We had hoped not to have to travel *via* Vietnam but to go direct to Phnom Penh *via* Bangkok. But the Thai authorities refused us permission to travel on the Red Cross plane *via* Bangkok to Phnom Penh. In the end, we were therefore forced to apply for visas for Vietnam and to travel to Phnom Penh *via* Ho Chi Minh City.

I mention this refusal by Thailand because it is indicative of the political situation in South-East Asia. The situation in Cambodia since the invasion by Vietnamese troops is obviously a problem for the ASEAN countries. They have not made any bones about this either, this being particularly true of Thailand, the most fiercely opposed of the ASEAN group to present developments in Cambodia. This is hardly surprising, since Thailand shares a frontier with Cambodia and has seen Vietnam extend its sphere of influence to include Cambodia. On Thailand's northern frontier, Laos, too, represents a danger. Thailand's attitude is therefore hardly surprising, but politically it is far from being the most desirable attitude. Fortunately, we find that other countries in ASEAN also have a word to

¹ The rapporteur also spoke *against* Amendment No 1.

Cohen

say, even if they are not so fiercely opposed to Vietnamese policy as Thailand.

On the other hand, it must be said that the situation throughout South-East Asia is deteriorating as a result of the intransigent attitude Vietnam has adopted with the support of the Soviet Union. On both sides, therefore, the fronts have hardened. This is, of course, a political judgment, and ours was a humanitarian mission. The hardening of the fronts does, however, produce a situation in which the Cambodian people can only suffer.

This is the tragic thing about the situation in South-East Asia. For some years now, military intervention has resulted in a situation to which it will be extremely difficult to find a solution. In our resolution we called for the withdrawal of Vietnamese troops from Cambodia, and I have repeated this demand in my resolution. We know that this will not be done for the time being. We know that Cambodia must, unfortunately, continue to put up with the present situation, which really amounts to its being occupied by its arch-enemy of the last few centuries.

On the other hand, it should not be forgotten that the Vietnamese occupation put an end to the previous régime in Cambodia, that led by Pol Pot, which can only be described as a régime of murderers.

The situation as we saw it in Cambodia is unfortunately more dramatic than we had imagined. We were unable to complete our mission, because we were simply not permitted by either the Cambodian authorities or the Vietnamese occupying forces to see what we wanted to see. We were dragged along to see former prisons, instruments of torture and mass graves, the historic remnants left behind by the Pol Pot régime in Cambodia. That took up most of the time we had set aside for our mission. We had had something rather different in mind. We wanted to see how agricultural production had been resumed. We wanted to see where the food aid from the Community and other countries was going, how it was being distributed throughout the country. We did not therefore have this opportunity.

What we were able to see was that in Cambodia at least — although I am now speaking about the situation some nine months ago — people are not now going hungry. They are poorer than most of us here can probably imagine, but some improvement is evident, due partly to the international aid that has been provided.

It is clear that, in view of the involved and hopeless political situation in South-East Asia, aid will have to continue in the future with respect to certain items. I am referring first and foremost to aid that is granted through non-governmental organizations. Cambodia and Vietnam have not recently asked the international community as a whole to become involved in the

reconstruction of Cambodia, as was the case two years ago. That is not therefore what is involved at present. It consists principally of occasional aid, once again through non-governmental organizations. I therefore hope that the money can be found in the Community budget to enable these operations to continue in the future. This is a specific reference to the activities of non-governmental organizations in favour of Cambodian refugees in Thailand, who are still accommodated in refugee camps and of whom it cannot be said whether they will ever be able to return to their own country. The food situation is not as it should be, but as I have already said, the people are not starving. Food aid may also have to be provided, either to Cambodia or — this as a parenthesis — to Vietnam, because Vietnam is, of course, a supplier of food to Cambodia. From the latest information received, it seems fairly clear that the harvest in Vietnam is not as good as had been hoped a few months ago, this being due, among other things, to natural circumstances, which have been somewhat less favourable this year than in previous years. The Community has given Vietnam food aid in the past, although not in the past two years. I am not saying that this food aid must be resumed, but I do wonder whether the decision not to provide further food aid should not be reconsidered.

I will say no more for the moment. It is clear that we and the whole of the international community have a humanitarian duty towards Cambodia. Cambodia is a horrible, a distressing sight to see, the Cambodian people are suffering. We are politically unable to put an end to the present situation in that country, but we do have a duty to do what is humanly possible to alleviate the suffering.

President. — I call the Political Affairs Committee.

Mrs Macciocchi, draftsman of an opinion. — (IT) Mr President, I should like to point out that the delegation did not take part in fancy banquets, nor did it stay at some luxurious hotel in Strasbourg or Brussels; conditions on the visit were difficult and some of us suffered because of it. I believe, however, that on future occasions such field missions should still be carried out, in order to afford us a greater knowledge of certain traumatic realities.

Although the delegation could not gather all the pertinent information, I would like to assure Parliament of two fundamental facts. First, Community aid has succeeded in putting an end to an act of genocide, and this says much about the vitality of this Parliament. Furthermore, we were able to see that the exodus toward the Thai borders is almost over and that the refugee camps in the Thai border area — where I had already been and seen thousands of people herded together in small putrid pens — are slowly being vacated.

Macciocchi

We found ourselves obliged to learn the history of a people: we left here intending to undertake a humanitarian mission, but we soon realized that we had to make use of our own intelligence to grasp the historical reasons for the tragedy of a people. This is a people that over a period of ten years has been slaughtered three times: first, following the expulsion of Sihanouk and the arrival of Lon Nol, then at the time of Lon Nol's escape, and finally with the appearance of the *Khmers rouges*, when the massacre was ended only by the arrival of the Vietnamese occupation troops. These, however, have occupied a country which is not theirs, whose language they do not speak — there is still no communication between Vietnamese and Cambodian — and from which they are separated by a centuries-old hostility. The Cambodians are a tragic people, hemmed in among great powers: the Soviet Union and Vietnam on one side, China on another, and the ASEAN countries on yet another. None of these possesses an objective approach to the problem; let us then try to be objective, we as European Parliament, since we have no desire to impose on South-East Asia a strategic balance of forces.

I should like to relate to my colleagues, quite apart from the resolution we are considering, a single episode which is, to my mind, symbolic: our interpreter had named his new-born daughter 'Intelligence'. I feel that this choice spoke volumes about the tragedy of a people which for years have been asking themselves what could be the logical reason for the ravages besetting them and for the massacres following one after another. The genocide — for this is what took place under Pol Pot — was inspired by a criminal stupidity. In this regard, I will relate another episode: in Baambang, which we visited, there was no longer any high-voltage electricity. There was therefore no power for industrial purposes. We were told Pol Pot had decided that 'high voltage' was a bourgeois concept, and that for the people only low-voltage electricity was to be used. In this town, there are thus no high-voltage wires.

Consequently, when we asked our interlocutors, 'Why all this?' the answer was often, 'We don't know', 'We cannot understand.' In people's eyes one can still read the fear of the old régime, which massacred at once people and freedom. But there is also the fear of the Vietnamese occupiers, who are not visible; they are a hidden presence, well-established at the infrastructural and higher levels of the country's life and therefore a massive presence which today dominates and guides almost entirely Cambodia's destiny.

Basically, as a delegation — Susanna Agnelli and myself — we faced a serious problem. It is obvious that we could not check to see whether Community aid was distributed to all those who needed it; it is impossible to find out whether part of it is not used for the 200 000 Vietnamese soldiers now in Cambodia. On the other hand, from a humanitarian viewpoint, we have realized that Parliament faces and will

continue to face a key problem: what can we do to save people from starvation? Should we decide on the basis of political régimes, which may be undemocratic and non-libertarian — or at times dictatorial or even, like Pol Pot's, bent on infernal torture — or should we decide on the basis of humanitarian principles which are at the root of our repeated commitment to a fight against starvation? I agree with the conclusions of Mr Cohen, who was part of the delegation, when he says that we do not simply have the problem of Cambodia — we have established in the resolution, and hope that everyone will agree, that aid will continue in 1982 — but also the problem of Vietnam, whose aid was cut off two years ago. To my mind, the Vietnamese are true occupiers of foreign soil, bent on strengthening their strategic position in South-East Asia — but behind the occupying armies there are hungry people. We passed through Ho Chi Minh Ville: we were there only 24 hours, but we witnessed the absolute poverty of most of the population; and, as you know, only a few days ago another 1 600 people left Ho Chi Minh Ville, the former Hanoi, to go elsewhere. These are indeed great tragedies, and I believe that they require a detailed and responsible study by the Political Affairs Committee and by the Committee on Development. In fact, all that we should decide to give Cambodia in 1982 might very well end up somewhere else if we do not keep in mind that other people are starving in the border areas, even among those whom we can without difficulty define as occupiers. The humanitarian organizations mentioned earlier are indeed noble-minded and generous, but they have no control over the situation.

Certainly this tragic problem of distribution and information will not be solved by three poor European MPs, parachuted into Cambodia with the best intentions to verify the situation.

It must also be remembered that in these desperate regions of South-East Asia the European Parliament is an unknown entity: I remember trying to show our interpreters on a small atlas our geographical position and the names of the Ten, arousing great curiosity and interest. As for the humanitarian organizations already on the scene, they function as a link for the transmission of aid, but they are often afraid, concerned not to upset the relationship with the Cambodia-Vietnamese government and worried that the link between them and the local authority may be broken or upset. This, too, is a problem we must approach more broad-mindedly, not only when voting on the resolution but on a permanent basis. We are once again asked for aid: let us attempt to secure better guarantees for the distribution of aid which comes from the Community! In spite of our condemnation of the Vietnamese occupation — as we state in our resolution — we shall continue to give such aid in 1982.

Mr President, ladies and gentlemen, I take great pride in having stated our position in no uncertain terms: I told the Cambodian foreign minister that this Parlia-

Maccocchi

ment had approved a resolution which asked for the immediate withdrawal of Vietnamese troops. I insisted on this point even though such insistence might have been taken as a provocation.

Finally, I reaffirm the need for Parliament to declare itself morally opposed to giving the Cambodian seat in the UN to Pol Pot. We know that there is now an attempt to form a coalition government between Son Sann, Sihanouk, and a wing of the *Khmers rouges*. This is a question which sooner or later will be debated at the international level. But a more immediate question is this: can we allow a genocidal régime such as Pol Pot's — and this judgment is shared by the democratic conscience of the world — to continue to sit at the UN, the highest international body, as the legitimate representative of a people which it slaughtered and reduced to a human pulp, a monstrous fertilizer for the soil of these countries?

In conclusion, Mr President, I would like to point out to my colleagues that I have been concerned, in preparing the opinion for the Political Affairs Committee, to stress the fact that in Cambodia today there is a possibility that chemical and perhaps bacteriological weapons are being used in the areas where fighting is still going on in the northern part of the country.

Yesterday we received an Afghan delegation; it gave us disturbing information concerning the use of chemical and bacteriological weapons against their people. I think we shall have to undertake a careful investigation of this matter.

I have attempted to maintain a position of absolute moral honesty, and I therefore ask my colleagues to join us in unanimous support of this resolution, which is also presented in the name of our delegation.

President. — I give the floor to the Group of the European People's Party (Christian-Democratic Group).

Mr Wawrzik. — (DE) Mr President, ladies and gentlemen, on behalf of my group I should like to thank Mr Cohen very sincerely for his report. The product of a journey undertaken under the most difficult external and political conditions, this report is objective and down-to-earth. Despite this, it paints a very vivid picture of the tragedy that has occurred in this country, which in recent years has suffered considerably under Communist influence, that is to say, under the Communist Pol Pot régime and the Communist Vietnamese régime. All the talk about terrible régimes which we hesitate to call by their proper political labels cannot conceal the fact that these poor people are the victims of a dispute among Communists.

(Applause)

The delegation set out with the task of finding out what are the vital needs of the people and whether the various forms of aid coming from the Community are being properly distributed. From the report I see that the régime accepts these resources, but distributes them as aid not from the European Community but from fellow Socialists. The régime largely prevented the delegation from finding out what is needed. But a major investigation is not needed for this purpose: they need practically everything! The régime also prevented the delegation from establishing whether aid actually goes to those for whom it is intended. This is the crucial issue: whatever its commitment in the humanitarian or any other sense, this Parliament has always been doubtful about aid reaching those directly concerned.

We have always placed great hopes in the non-governmental organizations. I now hear — and I would appreciate it if the Commission could report to the appropriate committee on this in due course — that some of the non-governmental organizations in which we placed our trust have received instructions from Vietnam regarding the political leanings of the people working for them in Vietnam or Cambodia. If this is correct, our hope that the non-governmental organizations at least might be able to help the needy rather than feed an aggressive, warring army is at least partly dashed. As far as I know, only the International Red Cross is still able to carry on its work more or less unhindered. But the Red Cross cannot handle all the aid.

To summarize the results of this mission and the report, Parliament must bear in mind that there is no knowing whether the European taxpayer is not feeding the Vietnamese army. There is no knowing whether the European Community is acknowledged as a source of aid or whether the aid it provides is not said to come from another source. In fact, we know very little. We ought really to say that the continuation of this aid is not justified.

If we are nevertheless in favour of the continuation of aid, it is simply because we assume that a reasonable proportion does reach those who need it. We do not want the citizens of this country, those poor devils who have now had to suffer under two Communist systems, to suffer further as a result of our withdrawing our aid.

(Applause)

For this reason and this reason alone, we are in favour of the continuation of aid, although we have our doubts whether a considerable proportion of this aid reaches those for whom it is intended. We are therefore in favour of the two amendments. We call on the Commission to check whether the non-government organizations — where they can still be used — are really operating as efficiently as possible.

Wawrzik

Our thanks once again to the rapporteur. We fully endorse his report.

President. — I call the European Democratic Group.

Mr Prag. — Mr President, Mr Cohen's valuable report is both encouraging and disturbing. It is encouraging because of the substantial improvement which it reports in the food situation in Cambodia. Starvation has ended; misery, however, has not.

The European Parliament delegation to Cambodia was unable to visit the Khmer refugee camps in Thailand because of the attempted *coup d'état* in that country. As a member of the ASEAN delegation of this Parliament, I had the task of leading a small delegation of its Members on a visit to those camps in Thailand in April this year, just a month after the delegation went to Cambodia itself.

I can confirm that the improvement in conditions noted by Mr Cohen and his delegation in Cambodia itself is paralleled and indeed surpassed by the improvement in conditions in the camps for Cambodian refugees in Thailand.

There are, in addition to 100 000 Laotian refugees from Vietnamese invasion, some 650 000 Khmer refugees on Thailand's south-eastern border. Some 150 000 of them are in well-organized United Nations centres, but there is a population of nearly 500 000, much of it transitory, in the so-called border-camps receiving only food and medical supplies. I found the United Nations holding centre, which I visited at Sa Keo, a model of good organization. The camp inhabitants, including the children, were cheerful, friendly and well fed, and it was a pleasure to see them and talk to them when one thought of the condition of those refugees a year-and-a-half earlier.

At Nong Chan, the typical border-camp with a mainly transitory population, conditions were primitive and hygiene non-existent. Nevertheless, people in general, and the children in particular, were well fed. It is well worth repeating that the European Community has played a major part in removing the threat of starvation and disease by providing 40% of all Western aid. I cannot fail to mention the voluntary organizations, particularly Medecins Sans Frontières, whom we saw at Nong Chan and whose contribution has been nothing short of heroic.

The most discouraging part of Mr Cohen's report is its affirmation of the highly unsatisfactory political situation. The last thing that Cambodia needs, in its present state of precarious recovery from the ravages of the hateful Pol Pot régime, are the puppet régime of Heng Sa Rin and the Vietnamese army of occupation of 200 000 troops. What it does need politically is the withdrawal of this army and fair and free elections supervised by the United Nations.

It is a problem to know whether to continue giving aid when the government receiving it gives you no means of checking what happens to that aid and gives you no credit when the aid is distributed to the people. Mr Cohen's report makes it quite clear that there is no way of finding out how much of the aid sent into Cambodia finds its way to the Vietnamese army of occupation.

Another highly disturbing feature touched on in the report is the persistence of reports of the colonization of substantial areas of Eastern Cambodia by the Vietnamese. These reports come from the most reliable sources, and credence is given to them by fact that access to these areas is totally forbidden to foreigners.

The view of my group is that, if emergency aid to Cambodia proves necessary after this year, the Community must continue to play a full part. That is why we support the Cohen report. Nevertheless, we believe that for future aid for Cambodia we must insist that the European Community origin of our aid must be made clear to the people who receive it. That is the purpose of Amendment No 2, tabled in the name of Mr Christopher Jackson. We cannot be so philanthropic as to allow our European Community aid to be described, as Mr Cohen reports, as having come from 'the Socialist brothers' in other words, from the Soviet Union.

I hope we shall have support for this amendment.

May I close, Mr President, by saying that far too few people everywhere, particularly in our own Community, know of the magnificent contribution which the Community has made to redressing the appalling situation of the Cambodian people. We should make sure that this story is as widely known as possible.

President. — I call the Communist and Allies Group.

Mrs Baduel Glorioso. — (IT) Mr President, on behalf of the Italian members of the Communist and Allies Group, I wish to support Mr Cohen's resolution, which we consider very sensible. This delegation departed to accomplish an essentially moral task, but it returned with a resolution of great value, also from the political standpoint, for our Parliament.

Personally, I do not share the anxiety of Messrs Wawrzik and Prag, which seems to me somewhat Eurocentric, somewhat outdated: they are afraid that people will be rescued from starvation without knowing that it is Europe which rescued them. That, at all events, is what was said by Mrs Macciocchi. What a terrible thing this is from the cultural point of view! As Europeans, we are able, despite the crisis, to save people from starvation, but we can't give them anything more to eat — thus letting them starve —

Glorioso

because they might not know what Europe is and they don't realize that we are the ones who are saving them. I'm sorry, ladies and gentlemen, but on this level of inhumanity you will have against you not only the votes of ten or twenty or fifty Members of Parliament, but also European public opinion as a whole, for such talk goes beyond the limits of the permissible. We never objected to General Pinochet's putting his signature on the powdered milk Europe has always sent to Chile; we never objected if it was able to save the lives of Chilean children; but you are opposed to saving the lives of Cambodians and Vietnamese because there is the risk that they might not know exactly from what country in Europe the aid has been sent! Mr Wawrzik and Mr Prag will excuse me, but this is something which arouses in me a personal reaction, in which I don't want to involve the group.

To return to Mr Cohen's report, I thank him for having closely connected his paragraph 1, where he says, rightly, that Vietnamese troops should be withdrawn from the country — and you are well aware that our group has always deplored military occupation of other countries by any army, and the same is true for Afghanistan — with the succeeding paragraph, that is, with the need for additional diplomatic efforts to obtain peace and security, for I doubt that free elections sponsored by the United Nations can be sufficient in this instance. I say 'I doubt' because I am not sufficiently familiar with the situation, but I have spoken with many political leaders — ambassadors, etc. — from neutral countries as well, and they were not absolutely convinced; I thank Mr Cohen for having included this idea in his resolution.

Certainly, as long as the UN continues to seat a representative of the Heng Samrin régime, as long as there are still corpses on the streets or the heaps of skulls of the Pol Pot régime, it will be necessary to take care that further confusion does not ensue when the Vietnamese troops withdraw.

I must also thank Mr Cohen for the propriety with which he approaches the problem of the eventual resumption of food aid to Vietnam. Food aid to Vietnam was suspended in 1979 and we have several times asked for it to be resumed, or at least that the question be re-examined. It was suspended because of the 'boat-people', and I remember Commissioner Cheysson saying at the time that aid would be suspended until the Geneva Conference to see if Vietnam would recognize the 'boat-people' and make an attempt to aid these refugees. Vietnam has done this, but the food aid has never been resumed, and I have never been able to understand the reason for this. In any case, in my opinion, if we are going to give aid to Cambodia — and I think we should continue to do so — then those who went there as delegates — and theirs was certainly not an amusing mission spent in the international hotels' as Mrs Macciocchi has reminded us — should call upon the Commission to make an urgent re-examination of the situation so that

aid may eventually be resumed on behalf of the Vietnamese who are truly suffering from hunger, having in the previous year been victims also of natural disasters.

And on this subject — excuse me for mentioning it — there are precise Western responsibilities for the fact that Vietnam, once a rich country, has now become a poor one. I repeat 'Western responsibilities', for in the past Vietnam was never a country which suffered from hunger like some others — India, for example, which historically has often been in need of aid. Vietnam was a rich country, a country which was able to solve its food problems.

Finally, after having asked Mr Cohen, the others who went to Cambodia, and all of you to present a broader resolution, signed by various political groups, to obtain a re-examination of the issue of food aid to Vietnam in view of the resumption of such aid, perhaps we could also, in this or in another resolution, ask for a re-examination of the credentials of the Cambodian delegate to the United Nations.

President. — I call the Commission.

Mr Giolitti, Member of the Commission. — (IT) Mr President, first of all I wish to express the Commission's great interest in the fact-finding mission to Cambodia carried out by a delegation from the European Parliament and now reported upon in this Assembly.

The Commission agrees with the conclusions contained in the report concerning the results of the visit. Among other things, this report recommends that Community aid to this country be granted, beginning from next year, on the basis of specific guarantees, and this is the essential point of the Cohen report. The Commission believes that future aid measures on behalf of Cambodia should take into account, on the one hand, the emergency situation existing there and, on the other, the attitude of the Cambodian authorities towards the freedom of movement and the supervisory powers of the international humanitarian organizations operating there.

Recently the Commission communicated its anxieties in this regard to the directors of the world food programme of the FAO, and it learned that a delegation from the FAO will soon go to Cambodia to discuss the problem with the local authorities. The Commission's future attitude concerning the granting of aid will depend to a large extent on the results of these discussions.

President. — The debate is closed.

President

We shall now consider the motion for a resolution.

(...)¹

I can now give the floor for explanations of vote.

Mr Wawrzik. — (*DE*) Mr President, I have already indicated the attitude of my group to the Cohen report and reiterated its main points. If my attitude were really as Mrs Baduel Glorioso, from the Communist Group, represented it as being, if I had really meant it that way, then I should have to vote against; but since I said the very opposite of what I was represented as having said, I shall naturally vote in favour of this motion.

Mr Alavanos. — (*GR*) Mr President, on behalf of the Greek Communist Party I should like to say that we shall abstain on this issue, because, while recognizing the positive aspects of the report — European Community Aid to Cambodia — we totally disagree with the transparent intention directly or indirectly to attach political conditions to this aid, and furthermore we completely reject the whole political thinking behind the Cohen report.

In Greece, there is a proverb to the effect that there's no mention of rope in a hanged man's house.

We find the interest of the European Communities in the Cambodian refugees very touching, but I should like to ask what line the European Communities took over the motion for a resolution submitted by the Communist Group on the tens of thousands of Greek political refugees, refugees from a Member State of the European Communities.

(Parliament adopted the resolution)

IN THE CHAIR: MRS VEIL

President

3. Wine

President. — The next item is the report by Mr Collesselli, on behalf of the Committee on Agriculture (Doc. 1-667/81), on

the proposals from the Commission to the Council (Doc. 1-351/81) for

- I — a regulation amending Regulation (EEC) No 337/79, on the common organization of the market in wine, and Regulation (EEC) No 950/68, on the Common Custom Tariff; and
- II — a regulation amending Regulation (EEC) No 338/79, laying down special provisions relating to quality wines produced in specified regions.

I call the rapporteur.

Mr Del Duca, deputy rapporteur. — (*IT*) Madam President, the Committee on Agriculture has made a detailed study, on the basis of a report by Mr Collesselli — who was obliged to be absent today — of the proposals presented by the Commission for modifying the following three EEC regulations: Regulation No 337/79, on the common organization of the market in wine, Regulation No 950/68, on the Common Customs Tariff, Regulation No 338/79, which lays down special provisions relating to quality wines produced in specified regions, and Regulation No 339/79, on the definition of corresponding products originating in third countries.

The rapporteur proposes acceptance of the modifications suggested by the Commission, subject to the amendments arising from investigations conducted with professional and sectorial groups. These amendments are those concerning Article 8, on long- and short-term storage contracts, Article 6, on sparkling wines, and Article 12, on sparkling wines: period of preparation in Italy.

The committee is also in favour of Amendment No 1, presented by Mr Diana, which calls for a rewording, for reasons of clarity only, of the second indent of paragraph 2 of the motion for a resolution, concerning the increase of the minimum natural alcoholic strength of wine by half a degree in the various wine-growing areas.

It is evident from the explanatory statement that the modifications in question are exclusively technical and administrative in nature, and as such they have no effect on the Community budget. The regulations thus modified facilitate operation of the system of control and combat against fraud and adulteration. These provisions are harmonized with the five-year plan, in conformity with the resolution approved by a large majority in Parliament on 9 April 1981, on the situation in the Community wine-growing sector. To the proposals contained in the resolution and completed by the amendments a draft definition of rosé wines has been added so that common standards now existing for red and white wines may be applied to them — a problem which Mr D'Ormesson also raised.

¹ The rapporteur spoke *in favour* of Amendment No 1 and *against* Amendment No 2.

Del Duca

I conclude, Madam President, by repeating that the proposed modifications are not substantive changes, but rather simple technical adjustments. I should mention that some of the measures to be contained in a new regulation, an organic and definitive one, are already indicated in the resolution. In order to avoid a recurrence of the unpleasant events which lately disturbed the wine market, in open violation of the Treaties and as much to the detriment of the producers as to the consumers, it is indispensable and urgent that a clear and coherent body be formed from a disorganized series of regulations which are difficult both to interpret and to apply.

The wine sector, which involves more than two million people and all the economic categories associated with it as well — including, obviously, the consumers — expects that its product, thanks to a revised regulatory system, will finally be able to share in the rights enjoyed by other Community products.

President. — I call the Socialist Group.

Mr Sutra. — (*FR*) Madam President, I have often heard reports described as technical when they were nothing of the sort, but this time the description is perfectly correct. I would like to say right away that we shall naturally vote in favour of this report, which we supported in the Committee on Agriculture, and in favour of all the amendments.

I would like to point out that one of Mr Colleselli's proposals, which aims at extending the time-limit for the signing of long-term storage contracts from 31 January to 28 February, is a measure which, almost every year, has been requested and obtained by the wine-producers' movements. We are thus reconciling the law with the facts. This time it will be definitive, and it is good so.

We shall also vote for Mr Diana's amendment. I wish to point out that if it were not adopted it would be necessary to correct a serious error in the French translation, in the second indent in Paragraph 2; but if Mr Diana's amendment is adopted, this correction will not be necessary.

A last word, Madam President, to say that this report by Mr Colleselli, who is always constructive, contains a very important annex on the definition of rosé wine. Since, however, I suppose that this will not be voted upon today and that we shall adopt only the motion for a resolution, we shall have to come back to this annex, which is a first constructive step. It will be necessary to formulate a motion for a resolution and choose a rapporteur.

I will conclude, Madam President, by saying that this is not the moment to begin the great debate which European wine production deserves. We believe,

however, that this report goes in the right direction insofar as it confirms the long-term storage contracts, which for three years have improved and tranquillized the situation in the European wine-producing sector.

President. — I call the Group of the European People's Party (Christian-Democratic Group).

Mr d'Ormesson. — (*FR*) Madam President, when he made his first report on the situation in the wine-producing sector, Mr Colleselli, on 16 April of last year, accepted two amendments of which I was the author, amendments aiming at giving rosé wine a status comparable to that of the red and white wines, and also an amendment calling for the creation of a Community service to combat fraud.

In his new report, my friend and colleague has included the two following provisions: the application to rosé wine of the Community regulations applying to red and white wines, together with a precise definition of rosé wine to be found in the last page of the report, as Mr Sutra has just reminded us; also, the creation of a Community system of control to ensure the strict application of Community regulations, with power to sanction illegal dilutions or additions, false declarations, and the making of mixed wines which do so much harm to the reputation of table-wines.

Such provisions encourage quality production, prevent many misunderstandings, and avoid mutual suspicion. Furthermore, by agreeing to include in this report the suppression of national aids which injure uniformity in pricing, Mr Colleselli responds in advance to a legitimate demand on the part of French wine-growers and wine-producers, and I wish to express to him my warmest gratitude. I repeat here that I am personally against the use of saccharose for enriching table-wines, that I accept the Commission's proposal to increase the permissible alcoholic strength of wine from 9% vol. to 9.5% vol., and that, in a spirit of compromise, Mr Colleselli and I accept the amendment presented by our friend and colleague Mr Diana.

On the other hand, having many times called for a map of the vineyards in each Community country — the only real way of following their evolution — I am astonished at point 8 of the explanatory statement of this report, where it is said that, for reasons of administrative convenience, 'from now on, a person or a group of persons will no longer be obliged to notify the competent authorities of their intention to proceed with grubbing, planting, or replanting, but will furnish such information when the operation has been completed.' In order to preserve the compulsory character of the declaration mentioned, it would be necessary to write 'must furnish such information'. I have checked this point, and I know that in the document drawn up by the Commission the declaration is compulsory.

(Applause)

President. — I call the Communist and Allies Group.

Mr Bucchini. — (FR) Madam President, the Colleselli report deals with certain aspects of the wine dossier from the technical viewpoint. It consciously fixes its own limits, and it offers no important guidelines capable of bringing about adequate modifications in the wine-growing sector. Accordingly, I do not object to what is said, but I have many observations to make about what is not said.

The Commission proceeds step by step, as if to give the illusion of movement, while in reality it makes only harmless adjustments and superficial modifications. The French wine-producers continue to sound the alarm, but the train goes rushing on towards the obstacle without paying any heed. Nevertheless, the forecast for the 1981-82 harvest allows us to predict a better market equilibrium than in the preceding years. Community production, including Greece, is around 142 million hectolitres, a figure some 10 million hectolitres smaller than the production of the combined French and Italian harvests for 1980, some 154 million hectolitres. Italian production is about 67 million hectolitres, French production about 61 million. The decrease in production is essentially accounted for by the table-wines.

The Community has the breathing-space necessary for establishing a new policy on wine production. The wine war is not inevitable, but it may only be avoided if the will to do so is there, and the proposals the Commission has just submitted to the Council do not seem to constitute an adequate response to the needs involved. I briefly offer for your consideration some measures capable of bringing about an orderly situation:

- 1) balancing trade within the Community by controlling the flow of imports; there is no question here of envisaging a poor sort of protectionism, but rather of using the faucet of imports in such a way as to prevent the tub from overflowing;
- 2) application of Article 15a concerning a minimum remunerative price in intra-Community transactions;
- 3) abolition of excise duties;
- 4) combating fraud and adulterated products;
- 5) strict regulation on the definition of rosé wines;
- 6) harmonization of measures on enrichment by concentrated grape-musts. The Commission's proposals here are limited and timorous;
- 7) drawing up estimates of supply and demand, at the beginning of every season, as a basis for laying

down compulsory distillation where necessary, covering the cost price at a profitable rate;

- 8) a permanent guarantee concerning long-term storage contracts; and
- 9) timely fixing of prices, taking the real costs of production into account.

It is evident that if such measures were not applied to each partner they would have no effectiveness whatsoever. It is high time that coherent and innovative measures were taken. Community regulations are like a net whose strands are too weak. The rule of quantitative complementarity is lacking. The solution of the wine problem exists and is to be found in wise planning applicable to all. This is what we hope for.

President. — I call the Commission.

Mr Giolitti, Member of the Commission. — (IT) Madam President, above all I would like to express the Commission's appreciation of the excellent Colleselli report, which deals, indeed, with a very complex subject.

The planned modifications have to do with the Commission's proposal, and they represent a clear improvement in respect to the present system. As far as the motion for a resolution is concerned, I share the view of Members of Parliament who feel that the draft regulations dealt with in the Colleselli report are in fact, as has been repeatedly asserted, of a technical nature. They represent only modest progress in the necessary reform of the fundamental regulations governing the wine-market.

The Community must make a great effort to review the provisions governing the wine-sector in view of Community enlargement to include Spain. In consequence, on 16 October 1981 the Commission sent to the Council a draft regulation modifying Regulation No 337/79 concerning the common organization of the wine-market.

These new proposals contain some of the ideas set forth in the motion for a resolution. They provide for an increase in the minimum alcoholic strength of 0.5% volume for table-wines and plan other specific measures to tighten control of the circulation, possession and use of saccharose and of concentrated grape-musts. In its note to the Council, which follows up the mandate of 30 May, the Commission pointed out the need to increase national specialized staffs in order to exercise a closer supervision of certain actions and to ensure their conformity with Community legislation. The Commission believes it would be well to have its own team of agents with autonomous powers to work in direct collaboration with the specialized agents of the Member States to secure the correct application of Community regulations.

Giolitti

Nor do rosé wines lie outside the field of application of Community regulations for the wine-sector. Distinguishing these wines from the red wines will be made easier if we succeed in finding a clear definition. I thank Mr d'Ormesson for his suggestion on this subject, which is at present being studied by the staff of the Commission.

Mr d'Ormesson also asked a question concerning the premium for grubbing. The proposed modification does not weaken the means of control available to the Member States. Nevertheless, the Commission is aware of the problem which has been raised, and it has announced its intention of strengthening the system of controls in its report on the mandate of 30 May 1980.

The Commission intends to adopt a special measure concerning the planting of vines. The aid to wine-production granted by Member States is probably an element which influences the competitive status of wines coming from the various regions. The Commission has studied all those forms of aid of whose existence it is aware. It has begun the necessary procedures in cases where such aid is not compatible with Community regulations.

Finally, I would mention that during the Council's work on the modification of Regulation No 338/79, the German delegation requested the insertion of the term 'Eiswein' in Article 16, as a traditional specific item. Since the use of this term is already admitted in one of the Commission's regulations, I see no difficulty in granting this request. For its part, the French delegation requested that the traditional specific mention of 'appellation d'origine VDQS' be added to this same article, and the Commission has no trouble in acceding to this request as well.

President. — The debate is closed.

*(Parliament adopted the various texts)*¹

4. Export refunds in the milk sector

President. — The next item is the report by Mr Woltjer, on behalf of the Committee on Agriculture (Doc. 1-697/81), on

the proposal from the Commission to the Council (Doc. 1-844/80) for a regulation amending Regulation (EEC) No 804/68 in respect of the granting of export refunds by the tender system in the milk and milk-products sector.

I call the rapporteur.

Mr Woltjer, rapporteur. — (NL) Madam President, European policy on the export of agricultural produce has been under discussion for some time now, because these exports usually involve enormous sums in export refunds. The Commission regards better management in particular as a means of saving export refunds.

As the export of dairy produce accounts for a large proportion of the total paid out in export refunds, the Commission sees the need for an amendment to the regulation on the granting of these export refunds and therefore proposes the introduction of a tender system in the milk and dairy-produce sector. The proposal thus concerns the creation of the legal means and not the actual provisions governing exports. The way in which this tender system will function has yet to be discussed.

The Committee on Agriculture feels, however, that it should be closely involved in the establishment of these implementing provisions and says as much in paragraph 7 of its motion for a resolution.

Even though the Committee on Agriculture welcomes the fact that an effort is being made to exercise better control over the granting of thousands of millions of ECU in export refunds, it considers it is going much too far to introduce a tender system for all products. After all, changing the present system, particularly where products ready for consumption are concerned, may cause serious disturbances in the market, and the resulting unfair competition will affect smaller exporters and those who have spent a great deal of trouble and money winning new markets. As long as it continues to be necessary to export agricultural produce, the Committee on Agriculture feels that disturbances of the market must be prevented. Hence our amendment, which seeks to restrict the tender procedure to such products as butter and skimmed-milk powder. I therefore hope that the Commission will give a clear indication of how far it is prepared to incorporate this amendment in its regulation.

There is an urgent need for better management of exports of dairy produce. Over 20% of our milk production is exported with EEC subsidies. The Community accounts for 70% of world trade in butter and milk powder, for 50% of trade in cheese, and for 60% and 80% of trade in skimmed-milk powder and condensed milk respectively. In short, the EEC is the price-setter on the world market. The higher the refunds, the higher the burden on the budget but also the greater the pressure on other exporters such as New Zealand and Australia. However, raising the refunds can scarcely increase our share of the market because of the large share we already have. It is therefore surprising that the Commission should have again felt in September that it must increase the refunds to a level that is now one-third of the intervention price. Compared with the percentages two years ago, when the refund was well over two-thirds of the intervention price, this is a great improvement, but I would point

¹ The deputy rapporteur spoke *in favour* of Amendment No 1.

Woltjer

out to the Commission in this connection that increasing the refund is hardly likely to solve the problem of over-production.

Madam President, it is difficult to understand the system for granting refunds and to fathom international trade. Changes may equally well result in an improvement or a deterioration of the system. By listening closely to the criticism levelled by the trade at the Commission's proposals and remaining aware of the need to avoid unnecessary costs in this of all sectors, the committee has tried through its amendment to take the greatest possible account of this and to strike a satisfactory balance.

On behalf of the Committee on Agriculture, I therefore call on the Assembly to approve the proposed amendment of the regulation and the resolution as it stands.

President. — I call the Group of the European People's Party (Christian-Democratic Group).

Mr Clinton. — Madam President, I just want to make a very short intervention in this debate. First of all, I want to thank Mr Woltjer for the work he has put into this report. I know that he has sincerely tried to do everything possible to let people understand what is involved here.

That is not to say that I am wholeheartedly in agreement with this report, because his main concern seems to be that there is too much money being spent on milk and that everything and anything must be done to ensure that this does not continue in future. Now we all have to be concerned about efficient marketing. That is one of my concerns, and the way I am going to vote at the end of this debate will be coloured by the assurances I get from the Commission that existing marketing organizations will not be inhibited in their work as a result of this new measure.

I represent a small country where milk production is very important to a large number of our small farmers, where we have a very efficient selling agency and where we have put little or none of our produce into intervention. I say that in circumstances where we have to export 70% of our total production. I am a little suspicious when I know that the main support for this measure comes from Germany and the UK. Now we all know — and I am sorry to have to say this — that Germany has been the main offender in the whole milk situation and in the amount of the product that has gone into intervention. I know that they get an overflow from some other adjoining Member States that they continually complain about, but I say that a lot of our problems have arisen through bad marketing in individual Member States. A strong Member State like Germany should have a top-class marketing organization. A lot of problems would not arise at all

if they had, because if we, a small weak country, are able to export our milk products without putting them into intervention, I think the Germans should be able to do likewise. Then we should not have anything like the size of the problem we have had on our hands up to the present.

The point is made in this report that stocks were never lower and that stocks are not now an embarrassment, but that this has cost a lot of budgetary money to solve. I think the main cost in the milk sector has stemmed from putting the product into intervention, keeping it in intervention stores and yet having a deteriorating product at the end of the day.

This is where the main costs have been incurred. Everybody knows that if we pile up a mountain of butter or a mountain of skimmed-milk powder, we have it on our hands and we simply have to sell it somewhere or other. Consequently, we get the lowest possible prices. I think this is where good management is essential — to ensure that it does not pile up and that it is sold as it is produced.

We all seem to be very happy indeed when there is a lot of money saved on refunds; this may, however, work to the detriment of milk producers and of the Community as a whole, because it means that incomes for those producing milk automatically drop. If Community support drops, their income drops. I come from a Member State where income has dropped by 60% in three years. We are back where we were before 1972, when we joined the Community. That is a very serious situation, and we have to be concerned about it.

Our main concern is that there is no such provision in the cereals regulation. Why should it be necessary in milk, if it is not intended to choke milk production still further and put another obstacle in its way? I would like to get assurances on this score from the Commission, because this is a matter of serious concern to us. We want to facilitate efficiency in the marketing of any farm product, but we don't think that this general provision is necessary before any rules are put before us and before we can be assured that the Commission will stop at the few main bulk products. They say generally that that is their intention, but a broad provision of this kind permits them to go much further than would be good for the existing marketing organizations, and I am greatly afraid that it may inhibit normal marketing of the product as it is produced.

President. — I call the Group of European Progressive Democrats.

Mr Davern. — Madam President, my main concern with this report is that a tendering system can lead to prices being fixed above the heads of the producer-groups by bigger interest-groups and the product's not

Davern

being sold. Now the Commission may very well say that it will not necessarily sell at that price, but if it doesn't sell, it has to put it into storage and then the European Parliament complains that we have too much in storage. There is the danger that it may be forced to sell at the prices given by these people. I can see it being detrimental to our interests, given a situation where one Member State has an organization selling its butter actively in the market and yet may be beaten by the much larger groups in this area.

I have tabled a number of amendments, and I wish to say that I want to withdraw Amendment No 7, Madam President, as I have been asked to do so by people who are interested in a report of some weeks ago.

I am concerned also to establish that we cannot accept any general enabling provision in advance of agreement on general rules. That would be 'buying a pig in a poke'. We cannot do that. I am concerned about a serious doubt I have of the Commission's intentions in this matter. If the basic regulation for cereals intervention is the same as the one for milk and they can already use the one for cereals, I cannot see why they have to introduce a special enabling one for milk. I would like, however, to thank the officials of the Commission with whom I discussed it for their courtesy and their patience in explaining it, and I would ask the Parliament to support the amendments. I think it is fair to claim that our amendments are reasonable and designed to protect the smaller interest-groups rather than the bigger ones which could eventually control this sector. I think the Commission recognizes the danger that we smaller countries may be swamped in this sector by much more monied and much more influential markets.

President. — I call the Commission.

Mr Giolitti, Member of the Commission. — (IT) Madam President, I have been informed that the Committee on Agriculture has adopted, in addition to the modification contained in Mr Woltjer's report, nine other amendments.

The Commission's proposal is directed at creating a legal basis for fixing the refunds in the dairy sector by means of a tendering system. The first amendment limits its application to butter, butter-oil, and skimmed-milk powder. In my opinion, this modification was rendered superfluous by the fact that after the report was completed, the Commission presented to the Council a proposal concerning the general rules for implementing this system, which in reality does limit its application to butter, butter-oil and skimmed-milk powder. (Since you have not yet received this proposal, I will see to it that it is available to Parliament as soon as possible.) I feel, therefore, that it is not necessary to limit the legal basis in the basic regulation to certain products.

Relative to the specific points indicated in the motion for a resolution, I would like to say that the Commission furnishes all necessary information to three of your committees: the one on agriculture, the one on budgets, and the one on budgetary control.

I don't think the matter of baby food is important when we are discussing the tendering system. Some problems may arise concerning Amendment No 4, according to which the tendering procedures should be limited to exports to the Soviet Union and to some countries of Eastern Europe. I believe we should reserve some facilities, for example, for the tendering procedure in cases of long-term contracts.

In connection with Amendment No 6, I will say that the real situation is not recognized in the new text proposed for paragraph 6 of the motion for a resolution, according to which 'the repeated changes made in the refund agreement with the Soviet Union have injured trade with all destinations.'

I can affirm that the contrary is true — that is, that since 1975 exports of all dairy products have increased to a much greater degree than was expected and at continually increasing prices. Because of this, the Community has become the largest exporter of dairy products on the world market and at reduced cost to the budget. The Commission cannot, therefore, accept Amendments Nos 9 and 10, which recommend the rejection of its proposal.

President. — The debate is closed.

(...)

Paragraph 1: Amendment No 3

Mr Woltjer, rapporteur. — (NL) This is in complete contradiction to what we have just adopted. I find the original wording of paragraph 1 better than that which is proposed in Amendment No 3, by Mr Davern.

(...)

Paragraph 2: Amendment No 5

Mr Woltjer, rapporteur. — (NL) I believe the original wording to be better, Madam President.¹

(...)

President. — I can now give the floor for explanations of vote.

¹ In addition, the rapporteur spoke *against* Amendments Nos 2, 4, 6, 8 and 9.

Mrs Le Roux. — (FR) Madam President, behind the pretext of budgetary savings, the principle object of the modification of the present system is to make possible a tighter control on exports of dairy produce to certain countries, in particular to the socialist countries.

Is it a coincidence that this proposal is submitted to us at the moment when for the first time the United States is entering the world market as an exporter of dairy produce, with the firm intention of remaining there?

Instead of promoting a dynamic export policy independent of American influence and free from all political discrimination, the Commission is still trying to restrain it while hiding its real intentions.

In fact, this regulation would for the moment apply only to basic products in bulk and for certain destinations. But once begun, it will be immediately extended to other areas and to finished products.

Despite some reservations as to details, the Woltjer report approves the Commission's proposals, which go against the interests of French dairy producers and their cooperatives: this is why we shall vote against this report.

(Parliament adopted the resolution)

5. Producer-groups in the cotton sector

President. — The next item is the report by Mr Papaefstratiou, on behalf of the Committee on Agriculture (Doc. 1-731/81), on

the proposal from the Commission to the Council (Doc. 1-576/81) for a regulation on producer-groups and associations thereof in the cotton sector.

I call the rapporteur.

Mr Papaefstratiou, rapporteur. — (GR) Madam President, honourable Members, in my report submitted on behalf of the Committee on Agriculture, I recommend in principle that the Commission's proposals to the Council be accepted subject to certain improvements.

The proposal for a regulation under discussion supplements the provisions included in Protocol 4 of the Act of Accession of the Hellenic Republic to the European Communities, on cotton. We must stress from the outset that Community cotton production represents only 15% of Community needs and that cotton is grown mainly in Greece and to a lesser extent in Italy. Cotton production is of great importance not only for the Greek but also for the Community economy and agriculture, and the special difficulties which beset

Greek producers are well known. The proposal is divided into three parts: (1) recognition of the producer-groups and of their associations; (2) development and rationalization programmes, and (3) financial and general provisions.

It is hoped that by channelling production through the association and producer-groups and at the same time implementing suitable rules for production and marketing, producers' incomes will be increased and structural improvements at the level of supply and marketing will be achieved. The development of cotton-growing — a product in which the Community is far from self-sufficient — is indispensable and provides a valid alternative to some forms of agricultural production which may give rise to problems owing to surpluses.

For this reason quantitative restrictions should be lifted and any thought of introducing joint financial responsibility with regard to aid granted for ginned cotton should be abandoned, because, for the present at least, there should be no barriers to the development of cotton-growing within the countries of the Community. It is also self-evident that a Community régime of intervention buying should be introduced, and if Community intervention is not adopted intervention at national level should be tolerated.

Given the structure of Greek agriculture, which is characterized by small and often self-contained production units, the rapporteur believes that the Commission should amend its proposals as regards the volume of production required of producer-groups and associations so as to take into account sufficiently the special conditions of production in Greece. We support the aid to assist the formation of producer-groups, but we believe that investment aid should not be restricted to harvesting-machines but should be extended to include sowing- and ginning-machines. This will undoubtedly provide a powerful incentive for small-scale producers. The Member States will soon have to set up the requisite programmes aimed at the promotion and rationalization of cotton production and marketing.

Finally, on behalf of the Committee on Agriculture I should like to tell the Commission and Council representatives that I regret that my proposal — adopted by the European Parliament months ago and recommending that prices be fixed at 84.85 ECU per hundred kilos — was ignored; and that instead the Council fixed the price at 76 ECU per hundred kilos, thus rejecting the unanimous wish of the Members of the European Parliament. I therefore hope that the Community will shortly increase the price for cotton producers.

I recommend that the proposal be adopted, together with Amendments Nos 1 and 2, tabled by the Committee on Agriculture.

(Applause)

President. — I call the Socialist Group.

Mr Vgenopoulos. — (GR) Madam President, as the rapporteur said, Greek cotton covers 15% of Community needs and Greek production constitutes 99% of Community cotton production, the remaining 1% being produced in Italy. It is this, together with the fact that Greek cotton is of high quality, that makes us Greek Socialists view the Commission's proposals for a development and rationalization programme for cotton production as a matter of vital interest. The restructuring of the Community textile industry in favour of high-quality products can only increase the importance of cotton for the Community.

For us, cotton is a national product on which the Greek textile industry — an important processing industry — is based. However, our country is characterized by strong regional disparities, and the organization of production is subject to special conditions. Farm holdings are small and scattered over a wide area. Moreover, over the last few years Greek cotton production has been on the decline: it fell from 450 000 tons in 1977 to 365 000 in 1981. Over the same period, the area of land under cultivation fell from 180 000 hectares to 130 000 hectares. If the Community does not encourage cotton production, it will be replaced by the production of fruit, tomatoes and other goods competitive at Community level; if, on the other hand, cotton production is encouraged, it will not cause any problems as regards structural surpluses, since cotton is a supplementary product for the Community.

For all these reasons, but also because Greece is considerably less developed than her partners in the Community, allow us, Madam President, to voice our objections to the criteria for the recognition of producer-groups and associations.

We believe that if the system of subsidies is to work properly it is indispensable that the criteria for the recognition of groups and associations of cotton-producers should be differentiated at least over a transitional period; and this is why we want the Commission's proposals to be revised.

Finally, we should like the procedures for granting subsidies to be speeded up so that the 1982 harvest can benefit from them; otherwise Greek cotton-workers stand to make substantial losses which in the final analysis would harm the Community as a whole since, as we have said, Greek cotton is a supplementary product and the Community has a special interest in encouraging such products in the Member States.

President. — I call the Communist and Allies Group.

Mr Kyrkos. — (GR) Madam President, cotton is a product of vital importance not only for the Greek economy but also, we believe, for the Community economy as a whole, which is far from self-sufficient in this product.

I should like to follow up what my colleagues have been saying by making several specific points which unfortunately I was too late to table as amendments.

As a matter of principle, we are in favour of producer-groups and more especially of production groups, and we believe that this proposal has combined these two institutions for the first time. None the less, the proposed regulation does nothing to alter certain weaknesses in previous legislation on cotton.

We believe that the following measures could be envisaged in relation to cotton production: an intervention organization for cotton should be set up; aid for cotton producers should be given regardless of deliveries to the ginning plants; aid should be granted directly to the producer *via* the producer-groups; quota restrictions should be either abolished or fixed with regard to the amounts produced in Greece in the past; and a mechanism should be introduced to step up production, since the situation on the Community and international markets justifies such an increase.

We also believe that — contrary to Council Regulation 614/81 — the cotton organization should be entitled to decide for itself whether or not to recognize producer-groups in areas where there are less than the stipulated number of producers. Article 3 (2) makes a similar provision for Italy.

We further believe that before setting up producer associations, sectoral programmes and cost-benefit analyses covering the whole of the Community should be conducted; the transport costs from the place of production to the ginning plant and to the textiles industry should also be taken into account. We believe that for a period of two years after the present regulation enters into force Member States should give investment aid to the producer-groups and the associations of producer-groups in addition to that given under the sectoral programmes as an extension of the transitional arrangements of Regulation 355/77, and we believe that an article should be added providing, among other incentives, tax concessions on both input and output.

We, too, agree with the rapporteur on the need to improve the price of cotton — and here I am referring specifically to Mr Papaefstratiou's proposal — and I should like to say that we support the motion subject to the reservations I have made.

President. — I call Mr Kaloyannis.

Mr Kaloyannis. — (*GR*) Protocol 4, on cotton, in the Act of Accession of the Hellenic Republic deals summarily with this product in respect of Greece and of the other Community countries.

The present proposal for a regulation from the Commission to the Council on the setting up and operation of producer-groups and associations in the cotton sector has undoubtedly positive aspects, as the previous speakers and the rapporteur Mr Papaefstratiou have correctly said.

The report by the Committee on Agriculture and consequently the recommendation made by Mr Papaefstratiou — insofar as they are finally accepted by the Council — mark an improvement in Community policy on cotton. However, Community policy on cotton is gradually moving toward a position which favours both Community interests and those of the producers.

In my humble opinion as a new Member of the European Parliament — I am slightly more experienced as a Member of the Greek Parliament — and as a native of the area which accounts for one-third of total Greek cotton production, I come to the conclusion that we shall not find a complete solution to the problem under discussion unless cotton is seen as a purely agricultural product and the common agricultural policy and the other basic principles governing other Community agricultural products are applied to it. What else can cotton be but an agricultural product, when the agricultural nature of cotton production is evident from the fact that it goes through the annual cycle of sowing and harvesting? And the only people engaged in its cultivation are farmers.

Let us face the facts. Cotton is unquestionably an agricultural product and an exceptionally dynamic one at that, subject to the contingencies of nature and to weather conditions. Furthermore, from the process of sowing to the time it is ginned, cotton provides work for the workforce and helps to keep down unemployment figures in the areas where it is cultivated.

Finally, I wholeheartedly support the Commission's proposals; I should like to add in all modesty that the competent organs of the European Economic Community must take into account the position I have outlined if we are to achieve a correct solution to the problem of cotton policy.

(*Applause*)

President. — I call Mr Adamou.

Mr Adamou. — (*GR*) Madam President, the issue of cotton is a further vindication of the Greek Communist Party's claim that Greek accession to the EEC would prove catastrophic for Greek workers.

This summer and autumn, Greek farmers were compelled by the EEC to bury hundreds of thousands of tons of fruit and vegetables while at the same time Greece was obliged to import corresponding amounts of these products from the other Member States of the Community.

Cotton is a dynamic Greek crop which provides work for 70 000 agricultural families. Italy produces insignificant quantities, chiefly for cotton-seed. As the rapporteur said, Greek cotton covers only 15% of Community needs; but instead of encouraging the cultivation of cotton and thereby increasing Greek production, which has a potential capacity of 600 000 tonnes per annum, the EEC is doing everything in its power to reduce it. Thus, whereas in 1977 production was 450 000 tonnes of unginned cotton, in 1981, owing to the harmful measures taken by the previous government and the EEC, it fell to 370 000 tonnes. The low guarantee prices for cotton discourage cotton-growers. And now the EEC is continuing to employ the same tactics. Thus, while Greece wants to increase production, the EEC is restricting it to 430 000 tonnes. Furthermore, the aid fixed by the EEC at 18.47 drachmas a kilo does not cover production costs because of the high inflation-rate in Greece, which this year is once more running at 25%.

In this way, cotton producers are unable to cover production costs or even to make a minimum profit to live off.

This, of course, is to the advantage of the EEC monopolies, which acquire as much cheap cotton as they need from third countries, deprive the Greek textile industry — which, as the previous speaker pointed out, is an important processing industry — of local raw materials and thereby make it less competitive, especially today, when the textile industry throughout the EEC is going through a crisis.

The report by Mr Papaefstratiou and the motion proposed by the committee mark an improvement in the position of cotton-growing in Greece. We shall support it, although in our opinion it does not solve the problems and we have serious reservations on it.

We, too, are opposed to the formation of producer-groups and associations. These are institutions which we believe will benefit a small number of large landowners and the mechanisms for exploiting the producers. We therefore propose that a subsidy — of whatever kind — be given to the cooperative organizations, to which all the cotton-producers belong. In this way, the cooperatives will be able to undertake the ginning and marketing of cotton as well as supplying the agricultural machines that are required.

Finally, we call for the immediate suspension of Protocol 4 and of the EEC Regulations of 27 and 30 July on cotton, together with the Presidential

Adamou

Decree 614 of the Hellenic Republic of 8 June 1981, concerning groups and associations of cotton-producers.

Mr Contogeorgis, Member of the Commission. — (GR) Madam President, the Community and the Commission have clearly recognized the importance of cotton both for Greece and for the Community: the proof is that although cotton is not included in Annex II of the Treaty of Rome as an agricultural product, none the less the Act of Accession of Greece to the European Communities contained Protocol 4, which provides not only for measures to stabilize the cotton market and to guarantee incomes for producers but also for structural improvements at the level of supply and marketing.

The first part — on stabilizing the market and guaranteeing producers' incomes — is already covered by a Community regulation. The Parliament has now before it a second regulation, which provides for measures aimed at structural changes to help producers step up production and improve the marketing of their product and to ensure the greatest possible income within the framework of measures that have already been taken.

The Commission has drawn up a proposal for a regulation on granting aids for the formation of producer-groups and associations, the aim of which is to aid producers both as regards the production and the marketing of cotton; and it is precisely in order to help set up these groups — since they are intended to assist producers — that the proposal provides that aid be granted to the groups over a five-year period. This is an incentive so that precisely this kind of group will be set up. Furthermore, the proposal provides for this aid to be granted over a five-year period on a declining scale of 5%, 4%, 3%, 2% and 1% of the value of the product marketed, although, of course, this sum shall not exceed the actual cost of setting up and managing the groups. Aid for forming associations will also cover the first five years and will be equivalent to 80%, 60%, 40% and 20% of the actual cost of forming and managing these associations; the Community budget will pay 80% of the cost of forming and managing the producer associations for the first and second years and 60%, 40%, etc., over the following years. Once more, these measures are designed to help the producers.

I must say that normally aids for producer-groups are granted for only three years and that cotton is an exception — the only case where aids cover a five-year period; this is because of difficulties and structural problems in the regions of production of the two cotton-producing countries, of which, as I have said, Greece is by far the more important.

In order to implement the necessary structural improvements referred to in Protocol 4, the Commis-

sion provides the producer-groups with supplementary aids for expenditure relating to the harvesting, gathering, ginning, storing and packing of cotton. This supplementary aid is indispensable because, as I have said, cotton does not feature among the agricultural goods in Annex II of the Treaty of Rome, being considered a raw material for a very important Community industry, and consequently measures to subsidize agriculture (Directive 159/72) and measures for processing and marketing (Regulation 355) do not apply to cotton. It is precisely because the Community recognizes the importance of cotton that it takes these special measures. Total expenditure by the EAGGF for the application of this proposal amounts to an estimated 17 million ECU or roughly 1 billion drachmas, for a five-year period, and it will be inserted in Chapter 31 of the budget. Forty per cent of the expenditure made by the Member States for these investments will be charged to the Community.

Mr Papaefstratiou's report proposes two amendments to the Commission's proposal. The first is aimed at increasing the estimate of Community expenditure for the application of this regulation from 17 to 21 million ECU. As regards this proposal, the Commission, on the basis of its own assessment, considers that the sum of 17 million ECU is likely to cover the real and immediate structural needs in the cotton sector, and therefore does not consider that increasing this sum would serve any real purpose.

The second amendment concerns increasing the amount of aid, i.e., the proportion of expenditure refunded to the Member States, from 40% to 50%. In the past, the Commission has agreed to the reimbursement of up to 50% of expenditure in exceptionally disadvantaged areas; but cotton-growing, both in Greece and in Italy, occurs in regions which cannot under the present objective, general and comprehensive criteria be classified as such. For this reason, the Commission cannot accept the increase from 40% to 50%, given that, as I have said, the general and objective criteria do not apply here.

(Parliament adopted the various texts)

6. Fisheries

President. — The next item is a joint debate on five reports drawn up on behalf of the Committee on Agriculture:

— by Mr Gautier (Doc. 1-661/81) on

the proposal from the Commission to the Council (Doc. 1-429/81) for a regulation amending Regulation (EEC) No 2527/80, laying down technical measures for the conservation of fishery resources;

President

— by Mr Kirk (Doc. 1-732/81), on

the proposal from the Commission to the Council (Doc. 1-439/81) for a regulation concerning, for certain fish-stocks occurring in the Community fishing-zone, the fixing of the total allowable catches for 1981 and the shares available to the Community;

— by Miss Quin (Doc. 1-763/81), on

the proposal from the Commission to the Council (Doc. 1-436/81) for a regulation concerning the distribution among the Member States of the total catch possibilities available to the Community in 1981 of stocks or groups of stocks occurring in the Community fishing-zone;

— by Mr Provan (Doc. 1-699/81), on

the proposal from the Commission to the Council (Doc. 1-698/81) for a regulation establishing a Community system for the conservation and management of fishery resources;

— by Mr Battersby (Doc. 1-693/81), on

the proposal from the Commission to the Council (Doc.

- I. a regulation allocating certain catch quotas between Member States for vessels fishing in the Norwegian exclusive economic zone (Doc. 1-629/81);
- II. a regulation allocating catch quotas between Member States for vessels fishing in Swedish waters; and
- III. a regulation allocating catch quotas between Member States for vessels fishing in Faroese waters (Doc. 1-630/81).

I call Miss Quin to present Mr Gautier's report.

Miss Quin. — Madam President, Mr Gautier is unfortunately not able to be here and I have agreed to present the report formally to the House, which I now do.

President. — I call Mr Kirk.

Mr Kirk, rapporteur. — (DA) Madam President, it is most depressing to see how Parliament treats the fishing industry. Every time fundamental problems affecting the Community fishing industry arise where the Council asks for urgent action by Parliament, it is disappointing to find we are not allowed a debate until the last minute. Fishermen in the Community are usually reasonable men, but this is no way to treat an industry. The Community is facing serious problems and has done so for the last four years; it is about to go bankrupt, and all we can do for these reports on the fishing industry is to provide debating-time at the end of the part-session, when hardly any Members are left. I would ask you, Madam President, to raise this question in the Bureau and make sure that next time we have reports on which the Council has asked for urgent procedure, we are given enough time to debate them properly.

I should now like to introduce my report, concerning the TACs for 1981; but before doing so I should like to remind those taking part in this debate to distinguish between the various reports we are considering today. The first is Mr Provan's report on the criterion for access. The second is the problem of conservation; that is my report on TACs. Then there is Miss Quin's report on the distribution of catches among the Member States, which is quite a different matter from the conservation of fish-stocks. The fourth is Mr Battersby's report on the Community's relations with third countries. There is a tendency to confuse these issues, with the result that none of them receives proper debate.

I have not been able to summon up much enthusiasm in presenting my report, not because of our work in the Committee on Agriculture and Fisheries but rather because we are debating today the same points that we have repeatedly dealt with in committee.

We have put our views to the Commission over and over again, but the Commission has ignored them. Over the last four years, the Commission has stuck to its views on conservation despite the calls from the Committee on Agriculture and the European Parliament for a better balance between the quotas and technical conservation measures, despite our repeated requests to the Commission to ask the biologists to base their recommendations on the multispecies principle, and despite the fact that we have pointed out the need to fix TACs over a period of several years, because fish live for more than one year and we are dealing with long-term conservation policy. We have also pointed out the desirability of improving communications between the Commission and the fishing industry before TACs are proposed.

All these requests, which have been embodied in report after report, have been ignored in this Commission proposal, and that is why I am not especially enthusiastic about trying once again to tell the Commission what we in Parliament feel, representing as we do the voters in the various Member States. We can, however, still hope. In conversations with Mr Contogeorgis one has the impression that it might be possible to obtain understanding for our views; but unfortunately there must be somebody in the background, some 'godfather' who actually decides the common fisheries policy, whatever the views held by the European Parliament or the fishing industry in the Community. I regard that as an indefensible situation, and that is why I hope the Commissioner is listening. He isn't. That simply underlines what I have said, Madam President. I have nothing more to say!

President. — I call Miss Quin to present her report.

Miss Quin, rapporteur. — I would like to say that I concur with what Mr Kirk said about the timing of these reports and this debate. But, really, I am glad

Quin

that it is at least being taken this week rather than next month, because it does give us a chance to say something before important meetings of the Council of Ministers.

My own report is about one of the most important and contentious elements in an overall fishing package about the share-out of quotas between Member States.

Although it is an important aspect on its own, the Committee on Agriculture and the Fisheries Working Group feel that, in order to make it more likely for quotas to be respected, they must be part of an overall satisfactory package and need to be taken with other measures: a proper marketing system, technical measures, social measures and so on, about which the Parliament has spoken on many occasions.

The committee is also very concerned that whatever quotas are agreed should be properly managed. Once again, the report that I have here mentions the very unsatisfactory ways in which some quotas have been managed, particularly the recent re-opening of the herring quota.

Another general concern of the committee and the Fisheries Working Group, which has been very strongly expressed, is that more and better information should be forthcoming from the Commission. In my report, we both request greater clarification of the ways in which the total allowable catches are arrived at and also of the system of presentation of these quotas in terms of cod equivalent, which, we feel, may camouflage important changes in the allocations between Member States. In fact the overall figures that the Commission gives us do not make it clear at all how much weighting is given to purely scientific evidence and how much to other economic and social factors.

The committee and the Fisheries Working Group ask for a review of this process and, what is very important, for the Parliament to be fully involved. We would also like the involvement to be extended to any revision of the present proposals. We hope that the Commission will take note of this.

These are the main elements of my report, which I have given very briefly because of the late hour. I hope that they will be accepted by this House.

(Applause)

President. — I call Mr Battersby to present his own report and that by Mr Provan.

Mr Battersby, rapporteur. — Madam President, I shall be as quick as I can in view of the very late hour. I must, as chairman of the Fisheries Working Group, protest most strongly at the fact that once again we are

taking fisheries right at the end instead of at a reasonable time during the part-session. It is getting worse and worse, and we have never had a full, sensible debate on fisheries.

The report by Mr Provan is a very important one, possibly the most important to come before us since Mr Clinton's report last year. We have, however, a problem with the Danish elections, in that it is possible that we shall not achieve a common fisheries policy by the end of this year. I do call on the Council, which once again is not here, to do all it can after the Danish elections to get this common fisheries policy through.

There are two fundamental points in Mr Provan's report. One is that we must have a uniform 12-mile belt round our coasts, and the other is that the terminal date of 1982 in Article 103 of the Treaty must be taken out. There is no point in moving it on to 1992, because we shall have the same problem again in 10 years' time. A third point is the establishment of regional management committees, because we must involve the fishermen more in our deliberations if we are to achieve an agreed and workable policy.

There are two amendments which I believe should be rejected; the first is by Mr Helms, which goes against the basic intent of Mr Provan's report, and the second is No 10 by Mr Kirk, because I believe that fishing plans should not be restricted solely to the 12-mile band and a free-for-all outside the 12 miles must be avoided, especially as Spain and Portugal, with their very large fishing fleets, will shortly be coming into the Community.

My own report, on the Faroes, Norway and Sweden, was asked for as a matter of urgency, and I beg the House to accept the amendments I have put to that report. One important point is the problem of salmon-fishing. I know that the Commission is doing its best to help in this matter in Faroese waters, and I assure them they have the full support of this House in being as strong as they wish in preventing this very serious overfishing in Faroese waters.

I would therefore ask the House to support both my report and that of Mr Provan and ask the Council to agree and act before further damage is caused to the industry.

(Applause)

President. — I call Mrs Ewing.

Mrs Ewing. — Madam President, I rise to move the closure, if the Commission are not to respond now. I think Mr Battersby has already asked the question, but in fairness to yourself, Madam, I have risen now so that you are in no doubt about my intentions. I believe I have the support of ten Members. But if the

Ewing

Commission are going to respond, I will delay my moving of the closure to hear what the Commission have to say.

President. — I call Mr de Courcy Ling.

Mr de Courcy Ling. — Madam President, I support the proposal by Mrs Ewing, subject to one proviso. I hope that the Commissioner would not think it discourteous if we asked him to make his reply very brief indeed.

President. — I call the Commission.

Mr Contogeorgis, Member of the Commission. — (GR) Madam President, I have studied with great attention the reports under discussion today, which cover the whole field of internal policy on fishery resources and our relations with our partners in the north-eastern Atlantic. I should like to thank the Committee on Agriculture and the rapporteurs for the attention with which they have examined the Commission's proposals on this matter.

The Commission is not in total agreement with all the points covered by the draft reports for the following reasons.

First, as regards Mr Provan's report on the basic regulation establishing the Community system for conserving and managing fish-resources, the Commission calls Parliament's attention to the fact that, in the present round of discussions, the questions of access and quotas will be the major topics to be dealt with when the Council meets again on 30 November and 1 December. The Commission, when attempting to get the Council to reach an agreement on these important matters under discussion, which have gone unsettled for years, will make every effort to take into account today's discussion and the reports presented on this matter.

As regards Mr Kirk's proposal concerning the establishment of regional management committees, the Commission cannot, at least at this stage, for institutional reasons, adopt a position, because fisheries management committees fall within the more general framework of agricultural products management committees, and there are institutional problems which have to be examined, especially as regards the question of a committee which administers Community affairs on a broader scale without representing all the Member States.

As regards Mr Gautier's report, the Commission is sorry to inform Parliament that the Council of Ministers, at its meeting of 27 October, was not able to proceed with the publication of the text to extend for

an unlimited period Regulation 2527, which expired on 31 October 1981, on technical measures for conserving fish-resources. The Commission hopes that its proposed amendment to this regulation and the Gautier report have not been a waste of time, and that at its next meeting the Council will publish the regulation with the proposed amendments, since this regulation was adopted in principle by the Council on 27 September. As regards the amendments proposed in the report, the Commission is at present carrying out a joint study with the Council's competent body to determine exactly what action should be taken to implement these amendments to a regulation which, as I said, has already been approved in principle by the Council.

As regards Miss Quin's and Mr Kirk's reports concerning taxes and quotas the Commission is pleased that Parliament is broadly in favour of the proposals. However, the Commission cannot agree with the criticisms expressed on a number of matters:

First, the Commission does not think that the proposals on taxes are unrealistic or misconceived. The Commission's policy on this matter was, and still is, based principally on straightforward scientific estimates of fish-stock management. However, it is also based on the principle that the social and economic situation in the Community's fishing regions should be the decisive factor. The Commission agrees with Parliament that fish-stocks should be managed for the benefit of fishermen, not forgetting consumers. Since most stocks in Community waters have been overfished, measures should be taken, for the long-term benefit of fishermen themselves, to conserve fishery resources. Consequently, catches should be temporarily reduced, so that profits can be made in the future from increased catches and annually increasing stocks.

However, these measures will of course lead to the short-term effect of smaller catches. The management problem is one of deciding at what rate overfishing can be reduced. Immediate large reductions in catches will produce long-term benefits, but the short-term economic effects will be rather unfavourable. The Commission's proposals are based on balancing these short-term and long-term forecasts, having previously taken into account the social and economic aspects. The Commission would like Parliament to understand that the annual variation in the reproduction levels of fish-stocks makes it impossible to fix taxes for a three-year period, at least in the present situation, where most of these stocks are overfished. Perhaps taxes can be levied on a three-year basis when stocks are fished less extensively. This is one of the Commission's aims.

The Commission, like Parliament, is still interested in developing scientific models which take into account the mutual influence of different species of fish. It should be pointed out that various models already exist, but their results are not very reliable, since there

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is insufficient data. However, under the auspices of the ICES, the Member States are coordinating their attempts to provide more adequate data. The Commission is eager to provide financial aid for these research programmes where necessary, and the Scientific and Technical Committee on Fishing, which is meeting from 17 to 27 of this month, will consider what research programmes should be subsidized by the Commission.

The Commission cannot agree with the point made in Miss Quin's report that taxes and quotas could be replaced by technical conservation measures alone. Unfortunately, fishery management in the past shows that taxes were introduced precisely because the use of technical measures as the sole method of fisheries management had previously failed and led to over-fishing. Regional restrictions also proved to be ineffective. Further mention of taxes is made in paragraph 3 of Miss Quin's motion for a resolution concerning market improvements.

The Commission, like Parliament, hopes that its proposals for re-examining the organization of the market as part of a broader package of measures, which the Council agreed to at its meeting of 17 September, will soon be implemented. On the particular question of quotas and the frequent criticisms directed against the opening of herring fishing off the west coast of Scotland, I would refer to the statement I made to Parliament during the urgent debate on 17 September. The Commission is of the opinion that it cannot be held responsible if the Member States which are responsible for managing the quotas which they have been allocated do not take suitable measures to ensure that fishing is carried out under normal conditions at specified times.

In the case of this and other herring quotas, the Commission repeats its view that in the present circumstances under which herring fishing is being opened, the proposed quotas cannot be based on the same criteria used for other stocks, but must necessarily be of an *ad hoc* nature, which obviously cannot serve as a basis for the future. Parliament has repeatedly expressed its concern at the method used by the Commission to calculate the quotas for different species of fish, and it is particularly doubtful about the method of expressing quotas in cod equivalents.

I repeat that the quotas proposed by the Commission for 1980 and 1981 were not simply the result of calculations expressed in cod equivalents. On the contrary, a model was devised to find a way to compensate for fish losses to third countries — after fishing-limits were extended to 200 miles this, of course, could not be devised in terms of cod equivalents — where the losses were greatest. Compensation for losses to third countries and the Hague transfers meant that Member States were able to assimilate these models.

The evaluation of the criteria contained in the Council's statement of 30 May 1980 forms the basis of the Commission's proposals. This model was simply a method used to draw up just proposals. The relevant working document on this supports . . .

President. — Mr Contogeorgis, may I ask you to shorten your speech a little, since otherwise we shall not be able to vote. It will, in any case, be possible to reproduce the whole of your text in the report of proceedings.

Mr Contogeorgis, Member of the Commission. — (GR) The working documents which have been requested will be given to you as soon as possible, and these show how the quotas are calculated.

I should like to refer now to Mr Batterby's report concerning our relations with Norway, Scotland and the Faroe Islands. On the subject of the Faroe Islands, in whose salmon-fishing we are interested, negotiations on an agreement for next year are being conducted at the moment, and we shall not reach an agreement unless the Community is assured of a satisfactory solution to the question of salmon-fishing.

In closing, Madam President, I should like to say to Parliament that we deeply value Parliament's contribution to the essential process of finding a solution to these important fishery matters, which have been in the balance for many years. I should like to repeat that I and my colleagues are ready to work together within the framework of the Committee on Agriculture — and in particular the fisheries working group — and of Parliament to find a common solution which will be accepted by all the Member States.

President. — Thank you very much, Mr Contogeorgis, for your prompt response in shortening your speech.

I call Mr de Courcy Ling.

Mr de Courcy Ling. — With the support of the members of this group here present, I propose that we move immediately to the vote.

President. — I call Mr Kirk.

Mr Kirk, rapporteur. — (DA) Madam President, if we are to close the debate now, we cannot vote. Surely we are not supposed to vote without the opportunity to deliver our speeches! We should have to continue in December.

President. — I call Mr Helms.

Mr Helms. — (DE) Madam President, ladies and gentlemen, I should just like to say briefly how important it is for Parliament to debate matters and not simply accept all-too-familiar formulae from the Commission.

I fully endorse the rapporteurs' remarks on the form and manner in which the fisheries question is being considered by this Parliament. We have had a noteworthy part-session, and I believe we too have contributed something to future orientation and cooperation among the European institutions. But if this is the way we are going to finish off so important a matter as the fisheries question, which is to be discussed at a Council meeting next week, we shall wipe out the good impression Parliament has created during the debates this week. I would ask you most sincerely, Madam President, to ensure that urgent topics which are on the agenda for forthcoming Council meetings are in future debated on the Monday or Tuesday of the part-session, so that Parliament can discuss them properly.

President. — Mr Helms, for the moment I have to attend to one thing only, which is a request for closure of the debate — correctly presented, pursuant to Rule 86, by ten Members.

(Parliament acceded to this request)

The joint debate is closed.

We proceed to the vote, beginning with the Gautier report.

(Parliament adopted the various texts)

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* *

President. — We proceed to the Kirk report.

(...)

I call Mr Kirk for an explanation of vote.

Mr Kirk, rapporteur. — (DA) I am voting for the motion because I believe that it is more realistic. I understand the Member of the Commission, Mr Contogeorgis, to believe that the ideas in this motion are not realistic. I would point out that it may not coincide with bureaucratic reality, but it certainly does with realities at sea and in the fishing industry, which is what counts for us. We cannot be expected to adapt the fishing industry to suit bureaucracy. I shall therefore be voting for the motion.

(Parliament adopted the various texts)

President. — We proceed to the Quin report.

(...)

Paragraph 11: Amendments Nos 11 and 5

Miss Quin, rapporteur. — I am against. There were similar amendments in committee which were rejected, and it does delete part of the original.¹

(...)

President. — I can now give the floor for explanations of vote.

Mr Kirk. — (DA) Madam President, I shall be voting for the report because we have managed to get it amended on two essential points.

The first amendment, made in committee, states that the European Parliament calls on the Commission to calculate the effect of its proposals on the various Member States' fishing-fleets, so that we may see a clear assessment of its implications for fishing in each region of each Member State. I believe this to be most important. It is irresponsible for a Community institution, whether it be the Commission, Council or Parliament, to adopt any measure without knowing its effect on the people who will have to live with its results.

The other amendment adopted states that we accept the Commission's proposal only if the Commission ensures that its effect is not to make traditional fishing activities in the Member States impossible.

I shall therefore be voting for the resolution, as I hope that the Commission will act on the European Parliament's opinion.

Written explanation of vote

Mrs Ewing. — As a representative of fishing-areas, I protest at holding the debate on a Friday at such a time.

If the Community is to wear the human face it boasts of, it cannot at the same time don a death-mask.

I support Miss Quin's paper, on principle and on some of the other matters.

I believe preference must be given to fishing for human consumption.

¹ The rapporteur also spoke *in favour* of Amendment No 13 and *against* all the others.

Mrs Le Roux. — (FR) This year the Commission has once again failed to modify the unfair distribution of quotas among the different countries. France will have the right to only 157 000 tonnes, which means another step taken towards the liquidation of our potential for production.

We have arrived at an aberrant situation: in certain countries there are boats without quotas, and in other countries there are quotas without boats, except for flag-of-convenience vessels. We ask for our country a quota of 200 000 tonnes and the respect of historic rights in the 12-mile-zone.

We also ask for the cessation of negotiations on enlargement, which will certainly aggravate the situation of sea-fishermen.

Our proposals are supported by the will to change which has been expressed in France and by the commitments made by the French Government regarding the development of employment.

In face of the unfavourable leanings of this Assembly, we insist that our country retain control over the development and orientation of its fisheries.

For the fishing industry, as for the other sectors of our economy, we will not agree to changes desired by the French people being blocked in Brussels.

(Parliament adopted the different texts)

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* *

President. — We proceed to the Provan report.

IN THE CHAIR: MR PFLIMLIN

Vice-President

(...)

Paragraph 7: Amendments Nos 8 and 9¹

Mrs Pery. — (FR) The French translation contains an error in paragraph 7 of Amendment No 9. An entire line has been omitted, and thus the paragraph doesn't make sense.

President. — Thank you. The correction will be made.

(...)

I can now give the floor for explanations of vote.

Mr Harris. — Mr President, I shall vote for the Provan report because I support its general principles, particularly the emphasis on the need for a regional approach, rather than a national one, to conservation. But I would like the Commission to note that some of us have reservations about the wording, and ordinary Members have had no real time to amend it. The wording of paragraph 6, on the establishment of management committees, is, I think, extremely vague, particularly as regards my own part of the world, the South-West of England fishery.

Mr Kirk. — (DA) Mr President, this is probably one of the most important reports we have debated today, touching as it does on the fundamental question of criteria for access. I shall be voting for it. I am not satisfied with the solution regarding access to each other's waters, for the Treaty of Accession more or less says that these zones should lapse by the end of 1982; but the positive side of the report is that we propose that protection should be organized on a regional rather than national basis. This is a compromise because of the desire of some Member States to set up nationally-based exclusive zones; they have no real wish to introduce protection on social grounds, to meet the special needs of inshore fishermen within the 12-mile zones.

Another reason for my vote is that we have managed to get adopted an amendment to the Commission's proposal on the establishment of management committees. I am convinced that if we can set up management committees for the individual waters, and have representatives of the industry sitting on these committees together with the national authorities and the Commission, we shall be in a far better position to solve the problems of the fishing industry. Some time ago I discussed the matter with Mr Gaston Thorn, the President of the Commission, and I was pleased to hear that he was favourably disposed to these ideas. I understand that Mr Contogeorgis sees institutional difficulties in establishing these management committees — something to do with agricultural areas. I would say to Mr Contogeorgis that difficulties are there to be overcome, and, if the will is there, I am convinced that he can overcome them too.

Mrs Pery. — (FR) The Provan report, which contains interesting proposals such as the regional approach to problems of fishing and the creation of an organ of Community control, should have been clear regarding equality of access to Community waters and the respect of historic rights contained in the Act of Accession.

¹ As deputy rapporteur, Mr Battersby spoke against both amendments.

Pery

This is why the Socialist Group supported Mr Percheron's amendment, which aimed at completing paragraph 7 of the report. This amendment having been rejected, the French Socialist Members cannot vote for the resolution, and they will therefore abstain.

Written explanation of vote

Mrs Ewing. — Fishermen in the Highlands and Islands are becoming an 'endangered species', subjugated for years to EEC broken promises, blunders and blackmail (agree or you will get nothing).

When a CFP was botched up when the fishing States entered, clear promises were made by Ministers and Commissioners that regional dependent communities would receive special measures. Mr Gundelach, just before his tragic death, promised me that the Northern Isles, the Western Isles and my heavily dependent communities would not be killed off by unfair lack of special measures. My minimum demand is preference between 12 and 50 miles and an exclusive zone of 12 miles.

This week a delegation from Orkney and Shetland lobbied all groups and were well received, receiving many pledges of support. Next week it is to meet Commissioner Contogeorgis

They fish in the most prolific Community waters only 10% of the fish, and without fish assuredly they die. Licences should be automatically given to local boats, their historical rights saved.

The size of fleets, if taken into consideration, must not be allowed to grow artificially by buying in, e.g. Spaniards into British fleets.

Limits on boat-size may, in the short term lead to wealthy owners' buying up boats under 80 feet which the small boat-owner cannot financially manipulate.

Management committees must be local. The North Sea requires one on its own, not lumped with the English Channel. The West of Scotland likewise should not be lumped with the Irish Sea.

Danish elections, I fear, will hold up a settlement. It is unthinkable that in my area we have a free-for-all on 1 January 1982!

(Parliament adopted the various texts)

*

* *

President. — We proceed to the Battersby report.

(...)

Written explanation of vote

Mr Fich. — (DA) I should like to make some comments on the Battersby report, concerning the distribution of catch-quotas in Norwegian, Swedish and Faroese waters among the Member States.

Seen in isolation, this report must be regarded as a technical one. It is, however, important to see it in its proper context, and I should therefore like to remind Members of the history of the common fisheries policy.

As we know, a political compromise was reached on 30 May 1980. A package deal was adopted including substantial repayments to the United Kingdom and the establishment of a common fisheries policy on 1 January 1981.

It is now 20 November, almost a year after the common fisheries policy should have been established: it has not, although all the other parts of the package have been implemented. This is unacceptable. What is most unacceptable is the fact that it is the United Kingdom itself, receiving the repayments, which is blocking the common fisheries policy.

What have been the consequences?

The agreement with Sweden was blocked by the United Kingdom until 29 September, with the result that it has not been implemented simply because the Swedish fishermen would be unable to catch the quotas allotted to them in our waters this year. Moreover, we are unlikely to be able to conclude agreements with the Swedes in future, after their experiences this year. Blocking this agreement for nine months was a purely tactical manoeuvre by the British in order to gain advantages in other areas, but it was at the expense of the Danish fishing industry, especially that of Bornholm.

The agreement with the Faroes was also blocked by the United Kingdom for nine months. This caused substantial damage to the little island community, which is completely dependent on fishing. This policy was pure cynicism on the British side.

The United Kingdom made great efforts to get the agreement with Norway implemented, because, of course, this agreement was very advantageous to them.

I would go so far as to describe British fisheries policy as cynical, nationalistic and selfish. Frankly, it betrays a perfidious shopkeeper mentality.

We now hope to see more flexibility on fisheries from the British. It would become the British Presidency to make a big effort to get the common fisheries policy implemented now. It looks as if the British Government were most interested in talking about the EMS and other

Fich

external matters, thus ignoring the Community's internal problems. This is unacceptable.

Having made these comments, I am able to vote for the Battersby report.

(Parliament adopted the various texts)

7. Community transit

President. — The next item is the report by Mr von Wogau, on behalf of the Committee on Economic and Monetary Affairs, on the proposal from the Commission to the Council (Doc. 1-948/80) for a regulation amending, for the third time, Regulation (EEC) No 222/77, on Community transit (Doc. 1-621/81). Included in this debate is the oral question, with debate, by Mr Nyborg and others, on the need to simplify Community transit procedure (Doc. 1-752/81):

The Commission has made it known on more than one occasion¹ that it is in favour of Member States' making the crossing of frontiers difficult for heavy trucks that do not utilize the 'Community transit procedure'.

1. Does not the Commission agree, however, that the Community transit procedure is in need of considerable simplification and this could be the reason why exporters and forwarding agents prefer to use normal import/export procedures?
2. Does it not adversely affect the Community's image to try to force forwarding agents to apply a Community procedure which in actual practice they find unnecessarily complicated?
3. Would it not be better to simplify the Community procedure in such a way that exporters and forwarding agents of their own volition choose to use it?
4. Assuming the answer to be in the affirmative, will not the Commission agree, in this transitional period, to change its existing policy and encourage the Member States to make it possible for frontier customs offices able to carry out the formalities for transit traffic using the 'Community transit procedure' also to carry out clearance formalities for traffic which does not use this Community procedure?

I call the rapporteur.

Mr von Wogau, rapporteur. — *(DE)* Mr President, ladies and gentlemen, the community transit system, about which I am now to speak, is designed to speed up the clearance of lorries at frontiers. The queues of

waiting lorries make it difficult to cross frontiers within the Community and are also costly. According to information provided by the Commission, there are 31 million frontier-crossings by lorries every year. The clearance of each takes an average of one hour and twenty minutes. If the cost per hour is taken to be DM 70, the total amounts to DM 2 000 m a year.

I believe this is another example which shows that it is more expensive not to have a European Community than it is to have one. It is a luxury we cannot really afford.

(Applause)

We approve the Commission's proposal, which provides for firms to be allowed a period of grace to investigate whether the sums demanded as surety are in fact justified. This is a very small step in the right direction, which we approve.

We do feel, however, that this is by no means enough to make this Community transit system really effective. We also believe that the more radical proposals which have been put forward by the Commission and endorsed by Parliament must be adopted by the Council. We want the transport of goods within the Community to be exempt from all formalities. We want the transit system to result in the abolition of the guarantee system and of transit advice notes. We want to see the creation of a single commercial document that can be both carried by the lorry-driver and used by firms for bookkeeping purposes. At present, six or seven documents have to be filled in each time. We must reduce this to one document.

But what we need now is a decision from the Council. Agreement was not reached on any of these questions last week. When we discussed the internal market with the Council, we were assured that the British Presidency attaches great importance to these matters and that it intends to concentrate on and settle a number of points, such as raising tax-free allowances for travellers, by the end of the year. We expect these words to be followed by deeds by the end of next week, when the Council will be meeting once again.

President. — I call the Commission.

Mr Contogeorgis, Member of the Commission. — *(GR)* Madam President, it was with great satisfaction that I read the report of the Committee on Economic and Monetary Affairs, which puts forward for consideration a proposal aimed at simplifying the procedure of guarantee systems in the field of Community transit. However, I was also pleased to note that the Committee on Economic and Social Affairs — at the time that the proposal, which is quite technical, was being presented — referred to the basic outlines of the proposal presented by the Commission in September

¹ See, e.g. answer to Written Question No 119/80, OJ No C 201, 6. 8. 1980, p. 20.

Contogeorgis

1979. It has been with the Council since then, and its aim is to simplify in certain basic ways the system of Community transit without, however, weakening the measures taken to prevent irregularities and fraud.

The Commission greatly regrets the negative stand adopted by certain Member States, which, despite successive attempts to achieve a compromise, has led to the failure of attempts made within the Council to adopt the proposal to abolish transit advice notes and to reduce the number of demands for guarantees.

The Commission is aware of the technical problems created by Community transit procedures, from the point of view both of those who use them and of the customs authorities. The Commission is aware that in some circumstances or in the case of certain products certain Member States exaggerate these technical problems on purpose, using them as a brake on the free movement of goods. However, it points out that, in addition to the problems still affecting the operation of Community transit, there are many more restrictions on trade arising from the different regulations which still apply to trade within the Community.

The Commission considers that only global action in all of the sectors to which these regulations apply can effectively free the internal market from restrictions. As you know, in this connection the Commission has forwarded to the Council a draft decision which it thinks will provide the impetus necessary to achieve this goal.

President. — The debate is closed.

*(Parliament adopted the various texts)*¹

I call Mr de Courcy Ling.

Mr de Courcy Ling. — Mr President, before you close this session I think I would be speaking for the House if I congratulated you on the efficiency and outstanding courtesy with which you have brought this final sitting of a memorable week in the life of Parliament to a close. I thank you, Mr President.

8. *Adjournment of the session*

President. — I declare the session of the European Parliament adjourned.²

(The sitting was closed at 1.45 p.m.)

¹ The rapporteur spoke *in favour* of Amendment No 1.

² For items concerning the forwarding of resolutions adopted during the sitting, motions for resolutions entered in the register under Rule 49, time-limits for tabling amendments, and the dates for the next part-session, see the Minutes.



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ISSN 0378-5041

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Catalogue number. AX-AA-81-010-EN-C